

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

Chapter 11: Capital account

45 comments were received from 18 respondents.

Question 1 – Have the agreed recommendations been reflected appropriately?

Two substantive issues were raised.

Issue 11.1.1: 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: See separate issues note on crosscutting issues related to natural capital/resources.

Issue 11.1.2: 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. However, 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. For reasons of immateriality, it is proposed to refrain from adding new guidance. In addition, and perhaps more importantly, it can be argued that the issue was not considered in the update process, as a consequence of which there is no mandate for changing the guidance in this respect. Instead, it is proposed to add this issue to the 2025 SNA Research Agenda.

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

- Paragraph 11.8: It is proposed to change the word “exploit” to “use”.
- Paragraph 11.180: In view of making the guidance somewhat more inclusive, it is proposed to change the one but last sentence into the following (changes highlighted by underlining): “An exception may be related to certain ecosystem assets providing future economic benefits, such as provisioning types of services which result in monetary benefits and are often implicitly included in the value of natural resources (in this case, agricultural land or forest land)”. Please note that the exact wording is related to the outcome of the separate issues note on crosscutting issues related to natural capital/resources.

Question 2 – Is the material in the chapter clear?

Two substantive issues were raised.

Issue 11.2.1: 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: See separate issues note on crosscutting issues related to natural capital/resources.

Issue 11.2.2: 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: See separate issues note on crosscutting issues related to natural capital/resources.

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

- Paragraph 11.11: It is proposed to change “may be the result of human involvement” to “are frequently the result of human involvement”.
- Paragraph 11.13: It is proposed to change, in the last sentence “Cultivated assets” to “Cultivated, i.e., produced, biological resources”.
- Paragraphs 11.19 and 11.171: In view of further precision, it is proposed to change “there is no issuer” to “there is no claim on the issuer.”
- Paragraph 11.22: It is proposed to make two changes: (i) to include “, as defined in SEEA,” after “Environmental assets”; and (ii) to add, at the end of the paragraph, the following “Also ecosystem assets are generally not recognised in the integrated framework of the SNA; see paragraphs 11.178 to 11.182”. Please note that the exact wording is related to the outcome of the separate issues note on crosscutting issues related to natural capital/resources.
- Paragraph 11.28: For reasons of clarification, it is proposed to add, after the bullet list, the following sentence: “gross fixed capital formation, depreciation and changes in inventories under item c are relevant for produced natural resources, while acquisition less disposals of non-produced non-financial assets and depletion are relevant for non-produced natural resources”.
- Paragraph 11.30: It is proposed to change, in the definition, the words “cultivated biological resources” into “produced natural resources”.
- Paragraph 11.32: In view of providing clearer guidance, it is proposed to change the last sentence into the following (main changes highlighted by underlining): “Depletion is also shown as a negative change in assets, but in the case of non-produced natural resources, the relevant assets typically come into existence via newly exploited resources, which are recorded as other changes in the volume of assets”. [Note: Already done.]
- Paragraph 11.69: It is proposed to change the first sentence into the following: “The various components of acquisitions and disposals of fixed assets, including those which are classified under natural capital, are listed below:”.
- Paragraph 11.115: It is proposed to add a reference to paragraphs 22.21 to 22.32.
- Paragraph 11.117: In view of clarification in the different costs elements of data and databases, it is proposed to change “and the costs associated with processing, cleaning and organising the data to allow for use in productive activities” to the following (changes highlighted by underlining): “and the costs

associated with processing and cleaning the data to allow for incorporation into a database and subsequent use in productive activities”.

- Paragraph 11.172: It is proposed to add, before “at the date of exchange”, the following: “, or the market price of the relevant goods and services.”.
- Paragraph 11.181: It is proposed to add, at the beginning of the paragraph, the following: “Environmental assets consist of both the broader concept of natural resources, as applied in the SEEA Central Framework, as well as ecosystem assets”. Please note that the exact wording is related to the outcome of the separate issues note on crosscutting issues related to natural capital/resources.
- Paragraph 11.188: It is proposed to change “land and natural resources” to “land and other non-produced natural resources”. [Note: Already done.]
- Paragraph 11.211: It is proposed to change the heading above the paragraph into “Cultivated biological resources ...”.
- Paragraph 11.219: It is proposed to change the sentences “As noted before, for this type of resources no distinction is made between cultivated and non-cultivated resources. For those resources over which (collective) ownership can be enforced, all growth of trees intended to be used for the purpose of producing timber is considered as being under some degree of human management and control” into the following: “As noted before, in the case of timber resources over which (collective) ownership can be enforced, all growth of trees intended to be used for the purpose of producing timber is considered as being under some degree of human management and control and therefore treated as cultivated.”
- Paragraph 11.222: It is proposed to change, in the last sentence, “are restricted” to “may be restricted”, and to add the following sentence at the end of the paragraph: “However, it could also include, for example, resources related to subsistence fishing activities or fishing in large lakes, if these activities are regulated in one way or another, and thus provide economic benefits in the future”.

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

One substantive issues was raised.

Issue 11.3.1: 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: See separate issues note on crosscutting issues related to natural capital/resources.

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

- General point: The term “entity” will be avoided (unless referring to, for example, legal or social entity). The term “unit” is preferred, when referring to an institutional unit or establishment, while the term “item” will be preferred in the case of assets, goods and services and the like.
- Paragraph 11.98: In view of further precision, it is proposed to change “computer software (including data and databases)” to “computer software, data and databases”.

- Paragraph 11.233: See issue related to the recording of stranded assets in chapter 13.

Question 4 – Are there any other concerns?

No substantive issues were raised.

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

- Paragraph 11.171: In view of the latest developments, it is proposed to remove the last sentence (i.e., “In addition, it can be noted that many of these crypto assets do not yet act as a medium of exchange; instead they are often looked upon as a store of value.”).
- Paragraph 11.179: In view of further precision, it is proposed to add, after the words “national accounts are the same”, the following: “, with exception that radio spectra are excluded from natural resources in the SEEA”. Please note that the exact wording is related to the outcome of the separate issues note on crosscutting issues related to natural capital/resources.
- Paragraphs 11.189 and 11.197: In view of consistency in terminology, it is proposed to replace the words “subsoil resources” with “mineral and energy resources”. This should be applied consistently throughout the SNA.
- Paragraph 11.197: In view of further precision, it is proposed to change “forests” into “forest land”. This should be applied consistently throughout the SNA.
- Paragraph 11.201: In view of consistency, it is proposed to change, in the one but last sentence, the words “original owner” to “legal owner”.
- Paragraph 11.205: In view of further precision, it is proposed to change “uncultivated vegetation in forests” to “non-cultivated vegetation”, and to change “Similarly, the forests” to “Similarly, the trees”.
- Paragraph 11.217: For reasons of completeness, it is proposed to add the following sentence at the end of the paragraph: “Depreciation of a tree, crop or plant resource yielding repeat products is measured by the decline in its value as it gets older, and fewer products can be produced from it over its remaining life”.
- Paragraph 11.221: In view of further precision, it is proposed to change the sentence “Given the fact that the growth of trees is a more or less continuous process, with a forest typically consisting of trees in different age categories, an equal distribution of the growth over the life-length of the tress is considered a good approximation” to the following (main changes highlighted by underlining): “However, in case the growth of trees is a more or less continuous process, with a forest consisting of trees in different age categories, an equal distribution of the growth over the life-length of the tress is considered a good approximation”.

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.