

Governance Arrangements for the SNA Update Project

1. In November 2004, the Inter-secretariat Working Group on National Accounts (ISWGNA) agreed on the governance arrangements set out below for the SNA Update Project. These arrangements amplify and clarify earlier documents on this subject, including the *Work Programme for the Updating of the 1993 SNA* (21 November 2003).
2. The major elements of the governance arrangements are shown in the attached diagram. This commentary follows the diagram, working down from the commissioning of the Project, responsibility for success, management, technical work, and support. The key (lower left) shows four kinds of relationships between the units: reports to, guidance to, oversight to, and consult/liaise between.

Statistical Commission

3. The UN Statistical Commission mandated the Project and is the entity that will approve the Project's final output—the *1993 SNA, Rev. 1*. More specifically, the Statistical Commission expects, based on the Work Programme of November 2003, a consolidated set of recommendations for its March 2007 meeting and a final draft *SNA, Rev. 1* for its March 2008 meeting. Further, it is expected that the Statistical Commission will endorse work on the Project outcomes—implementation of the new manual by member countries with the assistance, as needed, by a number of international and regional organizations.

ISWGNA

4. The ISWGNA is one of the longest-lived of the bodies set up to enhance cooperation among international organizations working in the same field. Since the early 1980s, it has had five members: Eurostat, IMF, OECD, United Nations (sometimes referred to the United Nations Statistics Division and regional commissions), and World Bank. In the mid-1990s, it was agreed that the chairmanship of the group would rotate among the five organizations and that the Secretariat would be at the United Nations Statistics Division. The usual practice has been that the ISWGNA functions at two levels: at what is called in this note the “Management Group” and “national accountants.”
5. The Management Group’s function, as shown in the diagram, is—collectively—to ensure appropriate outputs and inputs for the Project and lay the ground for successful outcomes. (Of course, the managers also act within their own organizations to further the agreed goals and objectives of the ISWGNA.)
6. The specific activities and tasks of the ISWGNA: Management Group are as follows:
 - Agree on the governance arrangements for the Project and endeavor, collectively and individually, to support the thrust of those arrangements for the duration of the Project.

- Set the strategic direction of the Project (within the parameters set by the Statistical Commission), ensure appropriate input and outputs, and agree on desired outputs and outcomes with the Project Manager.
- Assess and ratify the overall work plan, schedules, communication strategy, and budget of the Project.
- Address Project resource issues, and raise funds as needed to support the Project.
- Receive, and act upon as needed, regular reports on progress toward outputs and outcomes, budgets, and stakeholder views and concerns, including any matter (for example, on the scope of the Project) that puts the agreed outputs/outcomes at risk.
- Report to the Statistical Commission.
- Liaise with stakeholders, managing their expectations and gaining their support.

Project Manager

7. As work on the Update Project got underway, it was decided to establish the position of Project Manager. The preliminary documents suggest a "respected senior statistician who has a clear understanding of the *1993 SNA*, proven ability to undertake international coordination work, good interpersonal skills, and excellent management and communication skills" and "well known and highly respected in the international community, particularly in national accounting circles, and of close acquaintance with many statisticians from developing countries," as the qualifications that would be sought.

8. In the governance arrangement, the Project Manager reports to the ISWGNA: Management Group. In turn, the Editor—as the only other consultant to the Project (at least as agreed so far) reports to the Project Manager. The Project Manager provides oversight to the ISWGNA: National Accountants as a body and provides guidance to the support units. The tasks and responsibilities, in line with the qualifications just noted, are as follows.

a. Output and outcomes

- Agree on desired outputs and outcomes with ISWGNA: Management Group.
- Report regularly on progress, including any matter that puts agreed outputs/outcomes at risk.
- Deliver quality intermediate and final outputs on time and within budget.

b. Organization of work

- Review and confirm overall work plan, prepare schedules for intermediate outputs and activities, track progress, and take appropriate action as needed.
- Develop a communication strategy consistent with transparency, sequenced to stay within the time constraints, and supportive of successful outputs and outcomes.
- Prepare and monitor cash and in-kind Project budget (fund raising being the task of the ISWGNA: Management Group).
- Assign (in respect of reporting relationships) or negotiate (in respect of guidance and oversight relationships) tasks of the technical and support teams, track progress on tasks, and note completion of tasks of dedicated and contributed project resources.

c. Liaison and communication

- Liaise widely, most especially with stakeholders to manage their expectations and gain their support.
- Facilitate communication among ISWGNA: Management Group.
- Participate with the ISWGNA: National Accountants in process and technical discussions as needed.
- Participate in the AEG and participate in other technical consultations (for example, Canberra Group II) as needed.

d. Technical matters

- Ensure adequate and effective review of technical matters.
- With the Editor, provide oversight of the overall consistency of the *SNA, Rev. 1* and harmony with other macroeconomic statistical standards (including BOP and GFS).
- Facilitate settlement of contentious issues and, in consultation with the Editor, take decisions as needed.

e. Other: Conduct a 360° review of the governance arrangements put in place after one year and periodically thereafter until the completion of the Project.

f. By-product: Analyze and formulate views about implementation, drawing on liaison with the stakeholders and others.

Editor

9. It was decided early in the consideration of the updating process to engage a designated editor. The qualifications were for someone who is "an internationally recognized expert on national accounts who has a thorough understanding of the *1993 SNA* and its updating issues, proven experience in international coordination work, and excellent drafting skills in English."

10. In the governance arrangements, the Editor has the following tasks and responsibilities:

a. Outputs

- Progressively draft recommendations for change and clarification and prepare drafts of the text of the *1993 SNA, Rev. 1.*, according to the Project schedule
- Carry through the preparations of the *1993 SNA, Rev. 1.* to the camera-ready copy (or its equivalent)

b. Liaison

- Participate with the ISWGNA: National Accountants in technical discussions as needed
- Participate in AEG meetings and participate in other technical considerations, including with a view to consulting with authors of substantive reports of the expert groups

c. Technical matters

- With the Project Manager, provide oversight of the overall consistency of the *SNA, Rev. 1.*, and of the harmony with other macroeconomic statistical standards
- Catalog the changes that may be needed to the various existing handbooks, compilation guides, and satellite accounts manuals that arise from the update

ISWGNA: National Accountants

11. ISWGNA: National Accountants, collectively, sponsors and facilitates the technical consultations. These consultations are at the heart of the Project.

12. The ISWGNA: National Accountants is already functioning. With oversight from the Project Manager, it continues to have the following tasks and responsibilities:

a. Output:

- In consultation with the AEG, consider the proposals for change and take decisions on the scope of the updating and on technical issues.
 - Circulate decisions to countries and/or regional and other expert meetings for discussion.
 - In consultation with the AEG, consider the response to proposed changes from countries and/or regional and other expert meetings.
- b. Liaison with the Editor and with both the AEG and the existing expert groups, including to assess and evaluate the internal consistency of the *1993 SNA, Rev. 1* and the harmony with other macroeconomic statistical standards.

Advisory Expert Group and Expert Groups

13. The AEG was set up recently, in 2002, and was positioned to have a key role in carrying out the Project in a transparent way and ensuring that it was a world-wide undertaking. It considers the proposals for change of the *1993 SNA* and expresses views.

14. Issues come to the AEG from various existing expert groups—for example, the Canberra II group on non-financial assets, regional meetings, EDGs, and the IMF Balance of Payments Statistics Committee. Each expert group has a terms of reference, a deadline, and a designated moderator to monitor discussions and write conclusions to be submitted to the AEG.

Project Support

15. As noted above, the Secretariat of the ISWGNA was established permanently at UNSD in the mid-1990s. In these governance arrangements, it is the main source of logistical and administrative support for the Project, and the Project Manager provides guidance for this support. Among the tasks that the Secretariat undertakes are the following:

- Maintenance of the Project Website ("Towards 1993 SNA, Rev. 1").
- Preparation of Project correspondence with the Statistical Commission members and national statistical offices.
- Preparation of reports to the Statistical Commission on behalf of the ISWGNA.
- Logistical and other support to the Project Manager.

16. The World Bank provides support by managing the Trust Fund. Also in that capacity, among other tasks, it will facilitate contractual arrangements for the Project Manager and Editor. It also provides some logistical and administrative support to the consultants, although other ISWGNA organizations may also provide some such support.

GOVERNANCE: SNA UPDATE PROJECT

Broad Function

Endorsed managing and coordinating role of ISWGNA. Expects outputs in 2007 and 2008.

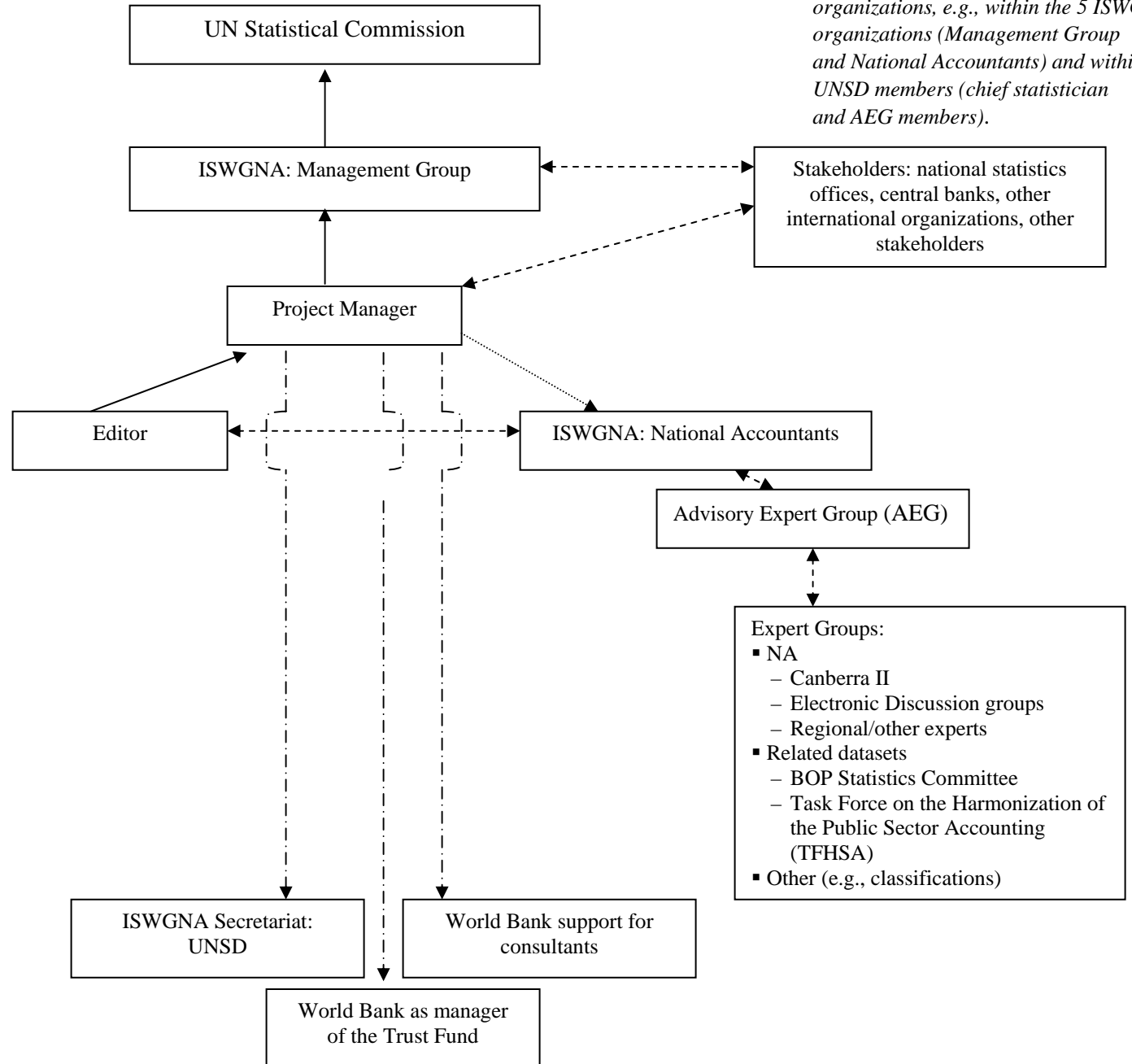
Ensure appropriate outputs and inputs, and lay the ground for successful outcomes

Project management

Technical work

Project support

Key:
 → = Reports to
 - - - → = Guidance to
 ← - - - - = Oversight to
 ← - - - → = Consult, liaise



Note: This diagram sets out the governance of the Update Project per se. It does not include important relations within organizations, e.g., within the 5 ISWGNA organizations (Management Group and National Accountants) and within UNSD members (chief statistician and AEG members).