Dear Colleagues,

The release of the System of National Accounts 1993 (1993 SNA) was a further milestone towards meeting new needs for statistics and analyses for more effective national, regional and global socio-economic policy-making well into the next century. The revision process that culminated with the publication of the 1993 SNA was an example of an outstanding, decade-long, intensive and fruitful collaboration among five international organizations under the guidance of the United Nations Statistical Commission and the auspices of the Inter-Secretariat Working Group on National Accounts (ISWGNA), drawing on technical support and inputs from a large number of experts with a variety of expertise, from countries in all regions of the world. On behalf of the ISWGNA, I would like to thank all whose efforts contributed to accomplish this highly technical work. In view of this positive experience with the revision of the SNA, I trust that work on its implementation will be as successful and carried out in the same cooperative spirit. To help facilitate this, I am happy to introduce the first issue of SNA News and Notes, I expect this to be an important medium to make the implementation phase of the 1993 SNA transparent and interactive, and I hope that it will be valuable not only for national accountants in their efforts to implement the SNA, but also in initiating and facilitating a dialogue between the producers and the users of national accounts statistics.

Jean-Claude Milleron
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What is ISWGNA?

Many major economic and social developments had occurred since the last version of the SNA was published in 1968. Furthermore, the SNA has been increasingly recognized as the framework for statistical systems and as the basis for international standards for both developing and developed countries as well as for countries in transition. This led in 1983 to the mandate by the UN Statistical Commission to update and clarify the 1968 SNA and to harmonize it further with other international statistical standards, while maintaining the proven strength of the former SNA. Consequently, the Inter-Secretariat Working Group on National Accounts (ISWGNA) was created and entrusted with the planning, organization and coordination of the SNA review and revision process. The five member organizations that constitute the ISWGNA (European Union, International Monetary Fund, Organisation for Economic Cooperation and Development, United Nations through its Statistical Division and Regional Commissions, and World Bank) have worked together over the past decade in the development of the conceptual framework of the 1993 SNA through an unprecedented programme of international cooperation and burden-sharing that led them to co-authoring the 1993 SNA.

Now that the 1993 SNA has been published, pursuant to the recommendation of the 27th session of the UN Statistical Commission and the UN Economic and Social Council resolution 1993/5, national and international statistical services are faced with the challenge of designing strategies for the rapid and full implementation of the 1993 SNA. It has been recognized that the scope and pace of the implementation of the 1993 SNA must be decided by each country according to its own analytical and policy needs, the current state of its basic data and the resources available for implementation.

Consequently, the ISWGNA, following the same cooperative and coordination arrangements that so successfully governed the SNA revision process, will now focus on how best to assist countries in implementing the 1993 SNA. For this purpose, it has agreed on developing and coordinating a support system that includes four key elements:

- Meetings, training seminars and workshops in national accounts and related subjects;
- Manuals, handbooks, compilation guides and training materials for use in national accounts courses and software in support of national accounts compilation;
- Research activities designed to support future conceptual development of national and satellite accounting and also to resolve conceptual and practical problems in implementing the new system including the development of "case-laws" interpretations of the SNA in response to queries; and
- Technical cooperation activities in individual countries.

To facilitate its work, the ISWGNA has decided to combine a rotating annual chairmanship with a permanent secretariat. The IMF recently took the chair from the OECD, and in June 1994 the secretariat was assigned to UNSTAT. The secretariat, among other functions, will prepare, monitor and update directories on: SNA meetings and seminars, SNA training materials, SNA Handbooks, studies dealing with SNA concepts and further research into those concepts, etc. that would serve the ISWGNA to identify both overlaps between activities that should be avoided and omitted activities that should be incorporated and assumed by one of the member organizations as part of its responsibilities. In the long run, it will also prepare and maintain documentation related to the revision and implementation of the SNA which could be accessed electronically.

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**Editorial Note**

*SNANews and Notes* is a biannual information service of the ISWGNA prepared by the Statistical Division of the United Nations.

*SNANews and Notes* does not necessarily express the official position of any of the members of the ISWGNA.

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Telephone: (212) 963.4854, Fax: (212) 963.4116, E-mail: SNA@UN.ORG, Telex: 422311 UNUI.
The new version of the SNA was a result of the team work of various experts in many fields of statistics. It could not have been accomplished without this open interdisciplinary discussion. This spirit of openness should be kept alive now that the 1993 SNA enters the challenging new phase of its implementation. *SNA News and Notes* is meant to be an important forum of information and dialogue between experts from various fields, especially between the ISWGNA and statisticians and analysts worldwide. In particular it should “keep all countries informed of new developments, experiences gained in the course of implementation, seminars and workshops and other matters” (Statistical Commission, Report on the Special Session, 11–15 April 1994, E/1994/29. E/CN.3/1994/18)*. *SNA News and Notes* will have a broad orientation: It will not only deal with national accounting in the restricted sense, but also with satellite accounting and related fields of data compilation, as well as with the links between national accounting and analysis. It will be open for contributions by international and regional organizations, but may also include information on specific developments in selected countries or regions.

It is intended to provide information on the most recent implementation activities and topics subdivided into three major sections as follows:

- **Meetings and Seminars**: which may include information on training courses, conferences or expert group meetings in the field of national accounts and related fields.
- **Manuals and Handbooks**: which may also include information on training and other materials: including not only printed documents but also materials incorporated in new media such as CD-ROM or videos.
- **Feature Articles**: on selected topics covering conceptual developments, practical issues of compilation, brief reports of meetings on these matters, reports of country experiences, etc. In this first issue, country experiences of USA and Netherlands on national and environmental accounting are described.

Through its feature articles the newsletter may serve as an important forum for the dissemination and exchange of information on conceptual and practical issues of implementation. The ISWGNA has established a mechanism to respond to queries about SNA implementation matters. Therefore, if you encounter any problems in interpreting any definition of a concept or meet a specific problem in measuring such concepts, please let us know. As the secretariat of the ISWGNA, we will immediately consult other members or other concerned experts and respond to the issue. If important enough, we may also publish the response to your query in one of the next issues of *SNA News and Notes*. We would also like to encourage readers to suggest any other topics for feature articles. The newsletter is not restricted to specific opinions; alternative approaches are encouraged since articles published under the name of an author will not necessarily represent the official opinion of the international organization or country institution for which the author works.

The newsletter will be disseminated biannually primarily to all statistical offices, but also to concerned users such as ministries and central banks policy makers as well as researchers and analysts; universities, institutes and other interested persons and organizations will be gradually included as subscribers of the newsletter. All interested readers are encouraged to send us their mailing address. Any comments or suggestions should be sent to the address listed in the editorial note.

**SNA Note:**

The 1993 SNA—a bestseller!

*Brisk sales are making the System of National Accounts 1993 a bestseller for both UN and OECD publications offices. United Nations Publications office reports that it will be one of its 1994 top five bestsellers, with 6,000 copies in projected sales at the end of the year, equalling in one year the total sales over 25 years of the 1968 SNA.*
Meetings and seminars

A joint OECD-ECE meeting of national accounts experts was held in Geneva from 27–29 April 1994 and another joint meeting will be organized from 9 to 12 May 1995 in Paris. These meetings focus on practical problems in the implementation of the 1993 SNA.

Two sub-regional seminars on the 1993 SNA were organized by ESCAP, one in Canberra, Australia, from 5 to 16 September 1994, for countries of the Pacific and Maldives, and one in Bangkok, Thailand, from 20 to 30 September 1994, for countries in Asia, other than Central Asia.

A seminar on the "Use of the SNA in Transition Economy Countries" was organized by UNSD and OECD in St. Petersburg, Russia, from 25 to 28 October 1994.

A workshop on implementation of SNA/ESA in Transition Economies was organized by Eurostat in Warsaw, Poland, from 21 to 25 November 1994.

A workshop on the "Compilation of quarterly national accounts" was organized by Eurostat in Paris, France, from 5 to 6 December 1994. A draft handbook will be prepared and will be circulated for comments at the end of 1995.

The first meeting of the Expert Group on International Classifications was organized by UNSD in New York, from 6 to 8 December 1994.

Two courses on the "Application of the revised ESA" were organized by Eurostat in Bordeaux, France, from 12 to 15 December 1994 and in Munich, Germany, from 6 to 9 February 1995.

A workshop on the 1993 SNA was organized by ESCWA in Amman, Jordan, from 12 to 19 December 1994.

The first interregional seminar on the "1993 SNA in Concept and Practice" was organized by UNSD in New York, from 23 January—1 February 1995.

How to order the 1993 SNA?

The 1993 SNA can be obtained from any of the five co-authoring organizations.

The United Nations Publications office can be reached as follows:

For sales in North and South America, Asia and the Pacific:
United Nations Publications,
2 United Nations Plaza, Room DC2-853,
Dept. 083D, New York, NY 10017,
Tel.: 1 (212) 963.3020, 1 (800) 253.9646,
Fax: 1 (212) 963.3489.

For sales in Europe, Africa and Middle East:
United Nations Publications,
CH-1211 Geneva 10, Switzerland,
Telephone 41 (22) 917.2786,
Fax 41 (22) 917.0027.

The UN sales number of the 1993 SNA is E.94 XVII.4. Credit cards are welcome.

The other offices of the ISW GNA members and the respective sales numbers of the 1993 SNA are:

Office for Official Publications of the European Communities,
Catalog number CA-81-93-002-EN-C;
International Monetary Fund,
Publication Stock No. SNA-EA;
Organisation for Economic Cooperation and Development, OECD Code 30 94 01 1;
World Bank Stock Number: 31512.

References to the 1993 SNA

One question raised many times is how to make reference to the new SNA. Within a text it became common to use the terms "1993 SNA", "1968 SNA" or "System". However, when referring to the publication, it is proposed to make a proper reference by listing all concerned agencies as follows:

Manuals and handbooks


The Handbook on Integrated Environmental and Economic Accounting was published by UNSD in December 1993 (ST/ESA/STAT/SER.F/61, UN publication, Sales No. E.93.XVII.12).

The Balance of Payments Compilation Guide will be published by the IMF in early 1995.

A draft Handbook on SNA for Transition Economies was recently prepared by UNSD and circulated for comments. UNSD, in close cooperation with OECD and IMF is planning to finalize this handbook during the first half of 1995.

A draft technical report Towards a Methodology for the Compilation of National Accounts: Concepts and Practice was prepared by UNSD and circulated for comments in December 1994. After incorporation of all comments received, UNSD is planning to submit it for publication in summer 1995.

The third edition of the European System of Accounts—ESA in the eleven official languages of the European Communities was recently prepared by Eurostat and the NSIs. Eurostat is planning to submit it for publication during the second half of 1995.

During 1995, OECD plans to publish three manuals on national accounting. These deal with: accounting for inflation, with special attention to problems created by very high inflation, methods used by OECD Member countries to compile quarterly national accounts, and methods used by OECD Member countries to calculate value added in service activities at constant prices.

1993 SNA on diskettes and CD-ROM

The ISWGNA is studying the feasibility of publishing a CD-ROM version of the 1993 SNA in 1995. More precise information will be announced in the next SNA News and Notes.

Translations of the 1993 SNA

The 1993 SNA will be published in all six official languages of the United Nations. Translations into the other five official languages started as soon as the final English manuscript was ready. Responsibility for the final translations has been distributed among the ISWGNA member organizations as follows:

- Arabic,
  ESCWA in cooperation with UNSD;
- Chinese,
  UNSD;
- French,
  Eurostat in cooperation with INSEE, France;
- Russian,
  IMF;
- Spanish,
  ECLAC in cooperation with INE, Spain.

The expected publication dates by the United Nations are as follows:

- Arabic, early 1996;
- Chinese, early 1996;
- French, April 1996;
- Russian, November 1995;
- Spanish, mid-1996.
Implementation of the 1993 SNA in the United States

by J. Steven Landefeld
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The Bureau of Economic Analysis (BEA) is testing accounts patterned after the 1993 SNA for several segments of the US national income and product accounts (NIPA’s). Perhaps the area of greatest difference between the NIPA’s and the SNA is in their treatments of government and non-profit institutions serving households. Issues involved in moves toward the SNA treatments were discussed at two user conferences. BEA then prepared, jointly with the section of the Federal Reserve that prepares the US financial accounts, detailed estimates of the government sector on a SNA basis and presented the results at the 1994 IARIW conference. Some changes in government transactions are being considered for implementation in the late-1995 “benchmark” revision of the NIPA’s. Parallel work on non-profit institutions is proceeding, based largely on a newly acquired data base of tax returns.

Modernization teams are also developing proposals in two other areas of difference between the NIPA’s and the SNA: Measures of household income and the treatment of private insurance companies and pension funds. Other changes required because the 1993 SNA expanded the asset boundary by including computer software and other items are being explored. In particular, BEA is now assessing data sources for computer software.

In conjunction with the revision of the IMF’s Balance of Payments Manual, BEA has been modernizing its international accounts. The few remaining changes necessary to bring the US accounts into agreement with the IMF’s recommendations are being studied, including changes to the source data surveys.

Finally, the 1993 SNA includes provisions for satellite accounts. BEA has published two exploratory projects: one on integrated economic and environmental accounts and the other on the production of R&D, including the resulting stocks that are consistent with treating R&D expenditures as capital formation.

Environmental accounting in The Netherlands

by Steven J. Keuning
Head of the Department for National Accounts,
Statistics Netherlands

The 1993 SNA’s chapter on satellite accounting refers to the further elaboration of a System of integrated Environmental and Economic Accounting (SEEA) and suggests that such system may be elaborated in the form of a SAM-based approach.

In developing environmental accounting in the Netherlands, Statistics Netherlands took these SNA recommendations as a point of departure. It developed a Dutch environmental module, or NAMEA as it is usually called, in which an existing National Accounts Matrix has been extended with Environmental Accounts in physical units. First, for each economic activity an overview is given of the emission of pollutants such as carbon dioxide, CFCs, nitrogen oxides, ammonia, phosphorus and waste. These pollutants are subsequently grouped by a number of environmental problems which they cause. On the basis of the contribution of each substance to the problem concerned, the emissions are converted into theme units. This results in five summary environment indicators. The satellite accounts contain consistent data for the economy and the environment, so that summary economic and environment indicators can be based on one meso-level information system. This statistical framework is also applicable in models, and may thus serve as a basis for forecasts, policy simulations and retrospective Green GDP estimates. Besides, the system can easily be extended to incorporate, e.g., (un)employment and social indicators.

NAMEA’s for the period 1989–1991 have now been completed and included in the regular Netherlands national accounts’ publication. These NAMEA’s have been extended from a pilot version by showing the depletion of two important mineral resources, a more detailed industrial classification, and a list of environment taxes and levies and other expenditure on account of the environment by industry and households. Because a time-series is now available, changes in economic and environmental variables can be juxtaposed. One result is for example that the emissions causing some main environmental problems in the Netherlands have on average decreased or increased significantly less than the Gross Domestic Product (GDP).

In December 1994, an official communication of the Commission of the European Communities to the Council of the European Parliament proposed to establish “... a European System of Integrated Economic and Environmental Indices. The system—which will resemble the Dutch NAMEA system but will be developed using a common European System of Environmental Pressure Indices—will be available to Member States and the EU in 2–3 years time. It will need permanent updating.”