

**Comments on draft SNA chapter:
Chapter 12: Other changes in assets accounts**

**Deadline for comments: 12 February 2007
Send comments to: sna@un.org**

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This three-part template allows you to record your comments on draft chapter 12 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

Save this template and send it as an attachment to the following e-mail address:
sna@un.org

Part I: General comments

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated (30 words or less).

Comment:

New recommendations are clearly incorporated. What is not clear is the fact that the new hierarchy of entries in the other change in the volume of assets account is not presented. Paragraph 12.12 gives a list not corresponding to the headings then presented in the chapter. This paragraph should be amended to avoid confusion.
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Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 12, you may wish to devote particular attention to the passages listed below. There is space after each issue for any comment you wish to make.

1. Sections B: As compared with the hierarchy of entries in the other changes in the volume of assets account in the 1993 SNA, the proposed list for the update has been restructured with the intention of making it easier to associate entries in the other changes in the volume of assets accounts with the entries in the other accumulation account chapters including the balance sheet.. Do you find this successful or are there other changes you would suggest?

Comment:

We agree with the new hierarchy of entries in the other changes in the volume of assets account.

2. Does it make sense to have information on the other changes in financial assets moved to this chapter instead of, as previously, having them in chapter 11? In the 1993 SNA, the information on the other changes in financial assets was covered in chapter 11, The Financial Account. Do you see any problems with moving this information to this chapter?

Comment:

We agree with the move.

3. It is proposed to make the existing annex on the calculation of holding gains and losses an electronic annex, available to all users of the manual but not included in the printed version. Do you have comments on this proposal?

Comment:

We do not support this proposal.

Part III. Other specific comments

Comment:

- New table 12.1 is unclear. On the basis of the new classification, it would be better to use the presentation of the table in the present SNA, distinguishing 3 groups (produced assets, non-produced assets, financial assets/liabilities) and inside each group describing which flows occur according to the new classification.

- Paragraph 12.40 discusses the case where a creditor recognises that a claim can no longer be collected. It should be precised here that taxes unlikely to be collected by

government should not be treated in other change of volume account. Eurostat proposes to add the following sentences at the end of paragraph 12.40:

"By derogation from the general principle, this heading does not include taxes and social contributions payable to the general government that the general government unilaterally recognises as unlikely to be collected. Taxes and social contributions payable to the general government and unlikely to be collected are, in the same accounting period which has generated the liability, neutralised in the calculation of the net lending/net borrowing of the general government sector and of the counterpart sectors.

- We agree with the inclusion of equalisation provisions in this chapter, but it is both included in paragraphs 12.63 to 12.65 under "other volume changes in financial assets and liabilities" and in paragraph 12.83 under "changes in classification and structure". Some additional recommendations would be helpful in these paragraphs.

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comments directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make very detailed comments please send a message to sna@un.org requesting to receive a version of the draft chapter permitting you to comment. To optimize your commenting tools please download Adobe Reader 7.0 for free from <http://www.adobe.com/products/acrobat/readstep2.html>