

Towards the 2025 SNA: a WHO perspective

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Agenda

1. WHO Council on the Economics for Health for All - contextual remarks and general recommendations
2. Specific comments on ISWGNA workplan and recommendations



Part 1

WHO Council on the Economics for Health for All
Contextual remarks and general recommendations

<https://www.who.int/groups/who-council-on-the-economics-of-health-for-all>



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What is wrong with GDP from a health perspective?*

Problem	Partial solution
Includes goods/services detrimental for health	Genuine Progress Indicator: Adjust GDP by the cost of income inequality, lost leisure, crime and environmental degradation
Ignores goods/services beneficial for health	Account for subsistence agriculture and unpaid household, volunteering and community work
Disregards indigenous values	Acknowledge the spiritual health, cultural wellness and biodiversity protection for the 370–500 million indigenous people living in over 90 countries
Relies on a composite average measure	Use disaggregated data to measure health inequities by income, education, occupation, gender, race and ethnicity
Focuses on short-term profit instead of long-term sustainability	Value the long-term performance of the health sector, the whole economy and society
Encourages private gain of a very few	Recognize the importance of sustainable investment within the environmental, social and corporate governance (ESG) framework

*Source: https://cdn.who.int/media/docs/default-source/council-on-the-economics-of-health-for-all/who_councilbrief3.pdf

What we need to value for health for all instead of GDP?*

- Planetary health
 - Essential common goods such as clean water, clean air and a stable climate, with respect to planetary and local ecological boundaries
 - Example: Doughnut economics showing that most countries live outside of the natural boundaries
- Diverse social foundations and activities that promote equity
 - Social cohesion, supporting people in need, and enabling communities to thrive
 - Example: Putting all homeless on the streets in London during COVID-19
- Health and well-being
 - With every person able to prosper physically, mentally and emotionally, and provided with the capabilities and freedom needed to lead lives of dignity, opportunity and community
 - Example: Accounting for subsistence agriculture that is crucial for households to survive in many low-income countries



Recommendations

- Exploitation of Earth’s ecosystems increases GDP:
 - SEEA revisions promoted by the United Nations and the European Union in 2021 are promising but to be implemented and evaluated for impact.*
- SNA Satellite Accounts (for unpaid work etc) can be beneficial:
 - They should become mandatory otherwise they are not collected regularly.**
- Time use data reveals burden of unpaid work (which can free up resources in the market economy, i.e. caregivers in “formal” health sector)
 - The **WHO Council on the Economics of Health for All** stresses the importance of time use data to value what matters for health for all

*Source: System of Environmental-Economic Accounting—Ecosystem Accounting, Final Draft. Department of economic and social affairs statistics division United Nations, February 2021.

**Source: <https://www.abs.gov.au/ausstats/abs@.nsf/mf/5202.0>

Part 2

Comments on ISWGNA workplan and recommendations



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ISWGNA

- Digitalization
- Wellbeing and Sustainability
- Globalization
- Communication
- Financial and Payments Systems
- Informal Economy
- Islamic Finance
- Balance of Payments
- BPM Current Account
- BPM Direct Investment



Digitalization Task Team (DZTT)

- DZ.1 Price and volume measurement of goods and services affected by digitalization
- DZ.2 Crypto assets (Combined with F.18)
- DZ.3 Clarifications the existing SNA treatment of “free” products
- DZ.4 Recording and valuing “free” products in an SNA satellite account
- **DZ.5 Digital SUTs**
- DZ.6 Recording of data in the national accounts
- DZ.7 Artificial Intelligence
- DZ.8 Cloud computing
- DZ.9 Digital intermediary platforms



Well-being and sustainability (WSTT)

- **WS.1 A Broader SNA framework for Wellbeing and Sustainability**
- WS.2 Distributions of household income, consumption saving and wealth
- **WS.3 Unpaid household service work**
- WS.4 Labour, education and human capital
- **WS.5 Health and social conditions**
- WS.6 Economic ownership and depletion of natural resources
- **WS.7 Emissions permits: the atmosphere as an asset**
- WS.8 Accounting for biological resources
- WS.9 Recording of provisions
- WS.10 Valuation methods
- WS.11 Renewable energy resources
- WS.12 SEEA classifications
- WS.13 Recording of losses

WS.3 Unpaid household service work

- Unpaid childcare
- Adult care
- Nutrition
- Transport
- Household management services
- Laundry and clothing services
- Informal volunteering
- Shopping
- Information services
- Other unpaid household production not elsewhere classified



WS.5 Health and social conditions (part 1)

- Rec 1: SHA classification should be updated (e.g., the feasibility of distinguishing expenditures between curative and rehabilitative care).
- Rec 2: The classifications in the SHA and the SNA should be harmonized to reflect the 2018 developments.
- Rec 3: Update the COFOG classification for health to reflect changes introduced in the 2018 COICOP classification and to account for the detail necessary to be useful for policy analysis of health.
- Rec 4: Review product classification of SHA 2011 to identify additional products that are relevant for policy decisions to be based on details in supply-use tables. The SNA and the SHA should be harmonized—even though there may be differences regarding details in the two systems, they should be consistent at an aggregate level.
- Rec 5: A supplementary supply-use table from health accounts should be set up to ensure consistency and completeness in analyses of health care.
- Rec 6: Develop a comprehensive and consistent list of secondary health outputs consistent with other national accounting classification systems.
- Rec 7: Further research quality of health care and to best reflect quality changes in volume measures of health care services in national accounts.
- Rec 8: A framework on well-being and sustainability should cover all expenditures on health care and long-term social care.
- Rec 9: Purchased occupational health services in the SNA should be identified as health expenditures - will remain allocated to intermediate consumption.



WS.5 Health and social conditions (part 2)

- Rec 10: Own-account production of occupational health services in the SNA should be imputed as secondary output and allocated to intermediate consumption.
- Rec 11: A breakdown of insurance claims and premiums by business area, including total health, could be introduced as a supplement to the SNA central system.
- Rec 12: Test feasibility of a supplement to the SNA central system for additional breakdowns of health insurance claims and premiums by health function (HC) similar to the SHA.
- Rec 13: Experience developed in the course of SHA data collection could be used to define distinctions for health insurance along dimensions including voluntary/compulsory, private/public, and individual/social as a supplement to the SNA central system.
- Rec 14: A framework on well-being and sustainability should expand the production boundary to include imputed values for unpaid household production of health care and long-term social care in an extension outside the SNA central system.
- Rec 15: Review SHA for relevant indicators based on final consumption expenditures with breakdowns by function, provider, and financing schemes for possible inclusion in the SNA core framework.
- Rec 16: Compile a list of relevant indicators based on physical measures and determine how the indicators could be linked to the SNA core framework.
- Rec 17: Compile a list of relevant indicators based on the two developments outside the SNA central system (i.e., supplemental classifications for private health insurance and unpaid household production of health care and long-term social care) and determine how the indicators could be linked to the SNA core framework.



Joint Informal Economy Task Team (IETT)

- IE.1 Statistical framework and classification of informal economy



Thank You



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