



2008 SNA research Agenda

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- Many national accounting issues may need further consideration and reflection
- Developing guidance to address these issues may take time to resolve
- Advisory Expert Group (AEG) on National Accounts
 - Provides guidance on issues related to the practical implementation, clarifications and interpretation of the 2008 SNA
 - Discusses new emerging issues and identifies ways to address them
- These emerging issues are included in the SNA research agenda



10th AEG Meeting was held in Paris 13-15 April 2016

Several topics/issues were discussed including

Globalization (measurement challenges of global production arrangements)

Choice and definition of statistical units

Accounting for pensions

Treatment of credit default risk in FISIM

Islamic Banking in the System of National Accounts

National accounts and big data

Informal Sector

SDGs and national accounts



- Globalization
- Global production
- Internet economy
- Financial intermediation service indirectly measured (FISIM)
- Accounting for pensions
- Informal sector
- Treatment of statistical units in supply and use tables (SUTs) and institutional sector accounts
- Valuation of natural resources
- Measuring resource extraction industries
- Islamic banking in the System of National Accounts (SNA)
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- A measurement framework for international trade and economic globalization, based on the existing statistical standards and international recommendations, is needed to address issues of
 - Micro-data linking of business and trade statistics
 - Integration of economic, environmental and social dimensions of trade and globalization
 - Global value chains
- UNSD is currently preparing a handbook on “Accounting for Global Value Chains: a System of Extended National Accounts and Integrated Business Statistics” to address these issues



<http://accelerateit.com/wp-content/uploads/2013/06/globalization-globe.jpg>



Factoryless Good Producers (FGPs) are companies that have outsourced all aspects of material transformation of the good but own the intellectual property products (IPP)

Typically they concentrate on innovation, marketing and supply service inputs to the production process in the form of technology, know-how, and product design, but do not supply the material inputs to the contract manufacturer

- Concrete recommendations on the detection of factoryless producers (FGPs) will be developed
- Practical evidence from countries on the transactions of FGPs will be collected to develop further guidance on their treatment
- More extended research on emerging types of global production arrangements, particularly in the area of services, will be addressed



- Information technology has introduced a profusion of new products, processes and market channels, and new business models



<https://haifengl.files.wordpress.com/2015/12/sharing-economy.png>

- The conceptual framework of the SNA is robust in capturing the internet (digital) economy
- Some challenges in measuring some of the transactions, including the capturing of price and volume measures
- Guidance on the recording and measurement of internet related activities in the national accounts is needed



Financial intermediation service indirectly measured (FISIM)

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- Research continues on further developing
 - Conceptual arguments to include or exclude credit default risk in FISIM calculation
 - Methods to calculate price and volume changes of FISIM
- Long-term research agenda includes
 - Further development of the “costs of funds” approach to determine the reference rate and of possible alternative approaches (vintage reference rate)
 - Consideration of the financial instruments and unit scope of FISIM
 - Connection between the recommendations on implementing FISIM and the definition of income



- Further clarification is needed in the
 - Delineation and measurement of pension entitlements
 - Articulation of when to record transactions, other flows and positions of defined benefit pension schemes in the core accounts
- Classification of the imputed property income on the liabilities between a pension manager and defined benefit pension fund needs to be determined
- Nature of investment income (holding gains and losses) related to pension funds and investment funds will be further investigated under the broader issue of the concept of income
- Criteria to differentiate between employer-related pension funds and social security need to be assessed



- The informal sector plays an important role in developing economies, where a large proportion of people work in the informal sector.
- However, an exhaustive measurement of the size of the informal sector and the contribution of informal sector activities and informal employment to GDP is particularly challenging.
- The supply and use framework, with a possible distinction between formal and informal activities, provides the greatest potential in which available source data are combined and balanced to arrive at exhaustive estimates of economic activity.



Informal traders at the Wynberg Taxi rank in Cape Town, South Africa.
Photo: World Bank/John Hogg



Treatment of statistical units in SUTs and institutional sector accounts

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- Increasing international fragmentation of production, coupled with the growing emergence of new types of producers, has weakened underlying assumptions of homogeneity in the definition of establishments
- A Task Force on Statistical Units (TFSU) has been established to
 - Review the 2008 SNA recommendations on statistical units (including institutional units)
 - Reflect on whether or not the recommendations on statistical units need to be adjusted in the future
 - Provide a clear view of what needs to be measured in the economy in order to identify ways to improve the definitions



- Valuation of natural assets based on the net present value (NPV) method assumes that the asset market is in equilibrium, implying that the market value of the asset is equal to the sum of discounted future income associated with the exploitation of the asset
- Volatility in commodity prices leads to significant uncertainty about their future development and the value of the asset
- Further research is needed to address volatile asset values where the valuation of natural assets exclusively relies on current commodity prices or their expected value in the future



- A set of template tables is being prepared to show national accounts statistics on natural resources in a standard presentation to support macroeconomic analysis of natural resources
- Natural resources covered are those that are extracted and sold by the mining industries, including oil and gas extraction
- The template tables use the concepts recommended in the 2008 SNA
 - This facilitates comparisons of the natural resource industries with other parts of the economy and across economies



SNA research agenda

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- For more information, please visit <http://unstats.un.org/unsd/nationalaccount/aeg.asp>
- The list of issues under discussion are also available on <http://unstats.un.org/unsd/nationalaccount/UnderDiscussion.asp>



- The preparation of manuals and handbooks for guidance and training is important in the implementation of the SNA and supporting statistics
- One of the areas of the ISWGNA work programme – mandated by the UNSC
- A procedure is established for the preparation of these documents
- The ISWGNA regularly reports to the UNSC progress on Manuals and Handbooks
- Publications presented here are from the ISWGNA report to the UNSC in March 2016



- Guide on measuring global production (ECE)
- Guide on statistical business registers (ECE)
- Handbook on economic tendency surveys (UNSD)
- Handbook on data template and metadata for short-term statistics (UNSD)
- Monetary and financial statistics manual and compilation guide (IMF)
- Compilation guide on land estimation (Eurostat and OECD)
- Foreign trade reported by non-residents: recommendations for compilers of national accounts and balance of payments statistics (Eurostat and OECD)
- External Debt Statistics: Guide for Compilers and Users (International Monetary Fund)



Publications in progress (UNSD)

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- Handbook on the compilation of Supply and Use tables and Input Output tables (UNSD)
- Handbook on National Accounting Backcasting Methodology (UNSD)
- Handbook on Non-Profit Institutions (UNSD)
- Accounting for Global Value Chains: a System of Extended National Accounts and Integrated Business Statistics (UNSD)
- Handbook on Cyclical Composite Indicators (UNSD and Eurostat)
- Handbook on Rapid Estimates (UNSD and Eurostat)



Handbook on the compilation of Supply and Use tables and Input Output tables

United Nations Statistics Division

The Handbook updates and expands the previous handbook (1999) in the following areas:

- Incorporate the revised recommendations of the new international standards like the 2008 SNA, BPM-6 and ISIC Rev. 4
- Focus on practical compilation guidance rather than a more theoretical elaboration of the methodology
- Address issues related to the use of SUT for producing quarterly national accounts
- Extending the scope to include environmental dimension
- Address compilation issues of countries with a less developed statistical system

Expected to be ready for global consultation in 2017

A primer on the compilation of SUTs and IOTs will also be prepared



With the adoption of new accounting and classification standards, there is a high demand for methodological guidance in applying backcasting techniques to maintain coherent time series.

The handbook will

- Provide national statistical offices with appropriate guidelines and advice on backcasting
- Cover both the technical and the planning and management aspects of a backcasting project
- Discuss in detail the need for backcasted national accounts data, the design and management of a backcasting process, different methodological approaches for backcasting, quality assurance, and communication issues



- This handbook will serve as the measurement framework for international trade and economic globalization
- Will build on existing work in this area, in particular by the UNECE, the OECD and Eurostat, IMF, and others
- Will focus on major issues related to international trade and economic globalization:
 - Micro-data linking of business and trade statistics
 - Integration of economic, environmental and social dimensions of trade and globalization
 - Global value chains
- Developed as a satellite system of the SNA



Handbook on Non-Profit Institutions (UNSD)

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- Originally issued by the UN in 2003
- Being revised mainly to incorporate changes in the underlying international economic accounting standards (e.g. 2008 SNA) and classifications (ISIC Rev 4), as well as the experiences/country practices
- It is being prepared in close collaboration with the Center for Civil Society Studies at Johns Hopkins University



- The Handbook is developed as a satellite system of the SNA where the focus is to identify within the sectors of the SNA the NPIs and account for their contributions
- Important contributions of the handbook:
 - Contained a detailed definition of NPIs which makes it possible to identify them as a group
 - Allow for a valuation of volunteer labour, which is significant in the activities of NPIs
 - Introduce of a detailed classification of NPIs by function
- It will be circulated for global consultation



UNSD facilitates the access to the manuals and handbooks on the web through:



Knowledgebase on Economic Statistics - Methods and Country Practices (<http://unstats.un.org/unsd/EconStatKB/Knowledgebase.aspx>)

National Accounts Publications webpage

(<http://unstats.un.org/unsd/nationalaccount/pubsDB.asp?pType=2>)

ISWGNA reports annually to the UNSC on the progress on the preparation of these handbooks and manuals



Information on the publications under development is available online at:

<http://unstats.un.org/unsd/nationalaccount/pubsdvp.asp>

The screenshot shows a web browser window with the URL unstats.un.org/unsd/nationalaccount/pubsdvp.asp. The page has a blue header with navigation links: Home, SNA, ISWNA, Knowledge Base, Data, Technical Cooperation, and Publications. A search bar is located on the right. Below the header, the breadcrumb trail reads: You are here: ISWNA >> Implementation >> UNSD Activities. The main heading is "Handbooks under Development".

The page lists several handbooks under development:

- Handbook on input-output compilation**: The handbook was issued in 1999 (available [here](#)) and is being revised mainly to incorporate the changes in the international standards like the 2008 SNA and the BPM 6, extend the scope of the previous handbook, provide practical guidance for countries with less developed statistical systems, and provide greater links and integration of the I-O family of products including greater focus on the Environmental Accounts/Physical Tables. An **editorial board** was established to undertake the revision of the handbook.
- Handbook on non-profit institutions in the SNA**: The handbook was issued in 2003 (available [here](#)) and is being revised mainly to incorporate changes in the underlying international economic accounting standards (notably the 2008 SNA) and classifications (ISIC Rev 4), and the experiences/country practices in implementing the UN NP Handbook. The UNSD has again enlisted the Center for Civil Society Studies at Johns Hopkins University to assist in this revision. This task will be accomplished by identifying how these new developments will affect each individual chapter and then summarizing what the revised handbook would look like as a result.
- Handbook on data template and metadata for short-term statistics**: The handbook will elaborate methodological descriptions and the use of individual short-term economic indicators. It will explain the statistical and analytical properties of short-term economic indicators, why they are relevant in explaining economic activity and how they relate to an integrated set of short-term economic statistics of quarterly national accounts and component data. The guide is intended to serve both the compiler and the user of the indicators. It will contain useful links to reference material offering more in-depth explications.
- Handbook on Economic Tendency Surveys**: The handbook provides guidance on the process of setting up tendency survey operations, data processing, analysis and dissemination of survey results. The handbook also guides users on the applications of tendency surveys for business cycle analysis and macroeconomic surveillance. It is intended to serve also the needs of analytical users by making them aware of the statistical methods and techniques that are employed in tendency surveys and associated with composite tendency indicators. The pre-edit draft Handbook is now [available](#). A **global consultation** on the Handbook took place in 2014 with countries and international/regional organizations.
- Handbook on composite indicators**: The handbook seeks to provide statistical guidance on harmonized principles for application in the formulation of cyclical composite indicators and standards for their compilation and presentation. The handbook is expected to be useful not only to those agencies of national statistical systems compiling or aspiring to compile cyclical composite indicators but also to those statistical agencies that are collecting short-term economic statistics and constructing data sets, which are used as component data for the construction of composite indicators. The handbook is also expected to be equally relevant for official statisticians in developing countries.
- Handbook on rapid estimates**: The handbook is intended to assist countries in producing rapid estimates of key short-term macroeconomic indicators in a comparable manner, using best international practices. It is also intended to assist countries that plan to set up a more comprehensive system of estimates of key macroeconomic indicators not only by providing the methodological foundations for the compilation of rapid estimates, but also by offering practical guidance on individual steps and elements of the compilation process.

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