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Items for discussion and decision: national accounts

Intersecretariat Working Group on National Accounts

Note by the Secretary-General

In accordance with Economic and Social Council decision 2022/324 and past practices, the Secretary-General has the honour to transmit the report of the Intersecretariat Working Group on National Accounts, which is submitted to the Commission for discussion and decision.

In the report, the Group provides information on the progress made on the three elements of the work programme for the update of the 2008 System of National Accounts (SNA), namely, the development of guidance notes on the research issues identified for the 2008 SNA update; the outreach initiative to inform national accounts compilers and users about the update process and to collect feedback from them; and coordination with the update of other economic statistical standards, including balance of payments, classifications and international trade statistics.

In addition, the report contains the programme of work of the Group and of the regional commissions, as well as an update on the scope and timeliness of the implementation of SNA at the country level. The Commission is invited to express its views and to provide guidance on the elements of the work programme for updating the 2008 SNA and on the programme of work of the Group.

* E/CN.3/2023/1.



Report of the Intersecretariat Working Group on National Accounts

I. Introduction

1. At its fifty-third session, held virtually from 28 February to 2 March and on 4 March 2022, the Statistical Commission adopted decision 53/117 (see [E/2022/24](#), chap. I.C), in which it:

(a) Welcomed the report of the Intersecretariat Working Group on National Accounts ([E/CN.3/2022/18](#)), expressed its appreciation for the activities undertaken to facilitate the implementation of the System of National Accounts 2008 (2008 SNA) and supporting statistics, and endorsed the programmes of work for 2022 of the Working Group and the Advisory Expert Group on National Accounts;

(b) Expressed its appreciation for the considerable progress that had been made on investigating the issues for the updating of the 2008 SNA and the subsequent global consultations on the guidance notes;

(c) Welcomed the coordination and cooperation between the various economic statistics expert groups in order to ensure that substantive discrepancies were avoided and that consistent terminology was used across manuals, to reduce duplication of effort and lead to optimal outcomes;

(d) Expressed support for the outreach, experimentation and testing to facilitate the consultation process of new guidance, encouraged Member States to participate in the evaluation process and experimentation and testing of the feasibility of the recommendations of guidance notes, and stressed the importance of providing financial and in-kind support to countries with limited resources;

(e) Took note of the appointment of the lead editor to facilitate the drafting of the update of the 2008 SNA and a project manager to assist the Working Group in coordinating the update process;

(f) Welcomed the introduction of supplemental measures that go beyond gross domestic product (GDP) by developing a broader framework of accounts, based on agreed methodology, which can be used to monitor and analyse well-being and sustainability, including a closer linkage with the System of Environmental-Economic Accounting and measures of people's well-being and the sustainability of societal developments to inform various policy goals, including those of the 2030 Agenda for Sustainable Development, and to address the call by the Secretary-General for new measures of progress to complement GDP;

(g) Emphasized the need for continued attention devoted to capacity-building and funding for Member States with limited resources to facilitate the implementation of SNA;

(h) Encouraged the continued reporting and evaluation of the availability and scope of official national accounts data reported by Member States, and noted the importance of quality information in support of international comparisons and a global understanding of the world economy.

2. Information on the work programme for the update of the 2008 SNA is set out in section II of the present report. Progress in resolving issues related to the SNA research agenda is presented in section III. Section IV provides an overview of the activities on national accounts and supporting statistics of the Working Group and of the regional commissions. Section V contains an update of the scope and timeliness

of the implementation of SNA at the country level. Points for discussion are set out in section VI.

II. Work programme for the update of the 2008 System of National Accounts

A. Background

3. The work programme for the update of the 2008 SNA, endorsed by the Commission at its fifty-second session, follows a three-pronged approach: (a) undertaking technical research on national accounts issues, including better supporting sustainable development from a macroeconomic perspective; (b) engaging in a broad consultation on the issues relating to the thematic areas of globalization, digitization, well-being and sustainability, communication, financial and payments systems, the informal economy, and Islamic finance; and (c) ensuring overall consistency with other official frameworks in the area of economic statistics.

4. Since the update of the 2008 SNA is expected to be submitted to the Commission for its consideration in 2025, the update of the 2008 SNA is referred to as “the 2025 SNA”.

B. Progress with the 2008 System of National Accounts update project

1. Editorial team and project manager

5. As reported to the Commission at its fifty-third session, it was decided that a lead editor to facilitate the drafting of the 2025 SNA and a project manager to assist the Working Group in coordinating the update process using the existing institutional arrangements and project infrastructure would be appointed. Subsequently, Peter van de Ven (formerly of Statistics Netherlands and the Organisation for Economic Co-operation and Development (OECD)) and Peter Harper (formerly of the Australian Bureau of Statistics) were appointed as lead editor and project manager, respectively. They both have extensive experience in national accounts, including having been involved in the development of the 2008 SNA as members of the Advisory Expert Group on National Accounts. The lead editor and the project manager commenced their roles at the beginning of 2022.

6. In addition, it was decided that supporting editors would be appointed to assist the lead editor. Subsequently, five supporting editors were appointed: Sanjiv Mahajan (formerly of the Office of National Statistics of the United Kingdom of Great Britain and Northern Ireland), Brent Moulton (formerly of the Bureau of Economic Analysis of the United States of America), Carl Obst (formerly of the Australian Bureau of Statistics and editor of the System of Environmental-Economic Accounting 2012 Central Framework), Patrick O’Hagan (formerly of Statistics Canada) and Marshall Reinsdorf (formerly of the United States Bureau of Economic Analysis and the International Monetary Fund (IMF)). All supporting editors have significant expertise in national accounts. The supporting editors commenced work in mid-2022.

2. Outreach

7. The outreach component of the update of SNA has three main elements: (a) to keep countries informed and updated on the process of updating the 2008 SNA; (b) to foster global consultation on recommendations for the update of the 2008 SNA through consultation on the guidance notes, as well as consultation on the draft of the updated SNA itself; and (c) to work with countries on the testing and early

implementation of new recommendations arising from the guidance notes. The outreach is supported by dedicated web pages (see <https://unstats.un.org/unsd/nationalaccount/towards2025.asp>) maintained by the Statistics Division of the Department of Economic and Social Affairs of the Secretariat that provide extensive information on the update.

8. During 2022, a range of meetings were held to keep countries informed of the update process and to receive feedback. They included a meeting of the Group of Experts on National Accounts of the Economic Commission for Europe, which focused on issues associated with the update; an OECD conference on national economic and financial accounts, of which a substantial part was devoted to discussion on update issues; two meetings of the Eurostat National Accounts Working Group, which had extensive agenda items on the SNA update; a webinar held by the Economic Commission for Africa on the SNA update; and a joint international workshop on the update of SNA held by the National Bureau of Statistics of China, in which member States of the Economic and Social Commission for Asia and the Pacific also participated. A programme of conferences and seminars on the update is planned to continue during 2023 and 2024, with the ongoing involvement of the regional commissions.

9. Eurostat and the Statistics Division also organized, in November 2022, a conference on macroeconomic statistics for the future, which focused on the update of SNA. The conference brought together around 170 high-profile participants from all the regions of the world, including politicians, public officials working in policy development, national accounts compilers and academics. The conference served as a high-level platform for users and producers to discuss their needs and reflect on how the ongoing work on SNA meets them. Panellists and participants supported the direction of the ongoing work on the update of the macroeconomic statistics standards. The audience appreciated the transparency of the ongoing process and underlined the importance of testing the proposed solutions for smooth and timely implementation. Supporting developing countries in capacity-building will be essential, and international organizations were called upon to step up their efforts. The implementation of the revised standards after their adoption, expected in March 2025, relies on developing new data sources and methods. Two key aspects were highlighted: access by statisticians to privately-held data will be essential to fill current information gaps; and exchanging data and information across countries will be needed to tackle the statistical challenges arising from economic globalization.

10. As at November 2022, global consultation had taken place on 58 guidance notes. The process has been noteworthy for the strong participation by countries. To date, 176 countries and territories have participated in the global consultation process and submitted over 1,750 responses. The feedback from global consultation has been vitally important in helping to finalize the recommendations in the guidance notes. The significant effort that countries have made in responding to the consultations is greatly appreciated. Global consultation on the outstanding guidance notes will take place in the first half of 2023.

3. Testing and early implementation

11. Testing and early implementation for the update of SNA involves two phases. The first phase, which has taken place mainly during 2022, involved testing that was needed to finalize recommendations in certain guidance notes. Twelve guidance notes have been involved in testing in the first phase, with a further three guidance notes awaiting results in order to be finalized.

12. The second phase involves experimenting in view of early implementation. The objectives of this phase are: (a) to develop “best practice” guidelines to aid the

implementation of recommendations in the guidance notes; (b) to encourage countries in the early implementation of recommendations, by developing sources, methods and processes; and (c) to gain an understanding of the impact of recommendations on key national accounting aggregates.

13. Not all guidance notes will be part of the early implementation. Those that will be involved tend to be those that have an impact on key national accounts aggregates (such as GDP) or those that, because of their complexity, involve significant methodological challenges in implementation. At the time of reporting, a preliminary list of 13 guidance notes has been developed for a potential early implementation exercise. Work is under way on developing detailed specifications for the early implementation phase, identifying and inviting countries to participate, and identifying possible technical assistance for countries that may require it. Supporting documentation and training to assist with early implementation will also be developed. It is expected that the early implementation phase will involve a wide range of countries drawn from all regions, including countries at different stages of development, and that the regional commissions will be closely involved in this work.

14. The work on early implementation forms an important component of enhancing the preparedness of countries for implementing the updated SNA after its endorsement by the Statistical Commission in 2025. During 2023 and 2024, further consideration will be given to planning for the implementation of the updated SNA, in consultation with countries. It is proposed that in 2025 the Commission be presented with a plan for implementing the updated SNA.

4. Collaboration

15. A key feature of the update of the 2008 SNA is the collaboration with the custodians of other macroeconomic statistics standards, as well as other key stakeholders in the international statistical community.

16. As the update of the 2008 SNA is proceeding in parallel with the update of the IMF *Balance of Payments Manual*, collaboration with the IMF *Balance of Payments Manual* update team has been extensive. As part of this collaboration, there is a commitment to maximize “common text” across the two updated manuals and also to harmonize chapters to the greatest extent possible. Chapters with significant overlap will be jointly authored. There is also a commitment to arrive at a common glossary of terms and definitions (see para. 25 below) and a common platform for the digital versions of the two standards. At the working level, there has been a strong spirit of collaboration between the two editorial teams, and they have worked closely together to resolve divergent views.

17. There has also been strong collaboration with the custodians of other macroeconomic statistics standards, most notably IMF government finance statistics and monetary and financial statistics, and the System of Environmental-Economic Accounting of the United Nations, the latter including collaboration with the Committee of Experts on Environmental-Economic Accounting. These custodians have been involved in the preparation of relevant guidance notes and in the development of annotated outlines for relevant chapters in the updated SNA and *Balance of Payments Manual* (see para. 21 below). Close collaboration will continue as the chapters are drafted.

18. To assist with the collaboration, formal agreements have been developed with the IMF *Balance of Payments Manual* update team, the IMF Committee on Balance of Payments Statistics, the IMF government finance statistics team and the Committee of Experts on Environmental-Economic Accounting.

19. Strong collaboration also exists with the United Nations Committee of Experts on International Statistical Classifications regarding the update of the International Standard Industrial Classification of All Economic Activities and the Central Product Classification and the links with the update of SNA; the Demographic and Social Statistics Branch of the Department of Economic and Social Affairs, regarding time use surveys; the International Labour Organization (ILO); and the International Public Sector Accounting Standards (IPSAS) Board.

5. Drafting of the 2025 System of National Accounts

20. To prepare for the drafting of the 2025 SNA, a provisional chapter structure has been developed. The structure, which is harmonized with the proposed chapter structure for the update of the *Balance of Payments Manual*, envisages 39 chapters, compared with 29 chapters in the 2008 SNA. It is proposed that there be new chapters covering key aspects of the research agenda underpinning the update of SNA, such as chapters on digitization, globalization and Islamic finance. A unique feature of the 2025 SNA is the broadening of the national accounts framework to better account for elements affecting well-being and sustainability. The aim is to inform various policy goals, including the 2030 Agenda for Sustainable Development and the call, in the context of accounting for people's well-being, to complement the measurement of economic performance (beyond GDP), contained in the report of the Secretary-General entitled "Our Common Agenda" (A/75/982). For this purpose, a new chapter, which will be chapter 2, entitled "National accounts and measures of well-being and sustainability", will describe where the national accounts can contribute to understanding well-being and sustainability, including where the framework can be extended, and where additional, often complementary statistics, such as those from the System of Environmental-Economic Accounting, are required to provide a more comprehensive understanding of these issues. It is also proposed that some of the existing chapters be split to better deal with cross-cutting issues. Section II of the background document to the present report provides the proposed chapter structure for the 2025 SNA.

21. The initial work on drafting the 2025 SNA has consisted of the development of annotated outlines for 13 chapters that either are new, or will be taken from the 2008 SNA and revised extensively. The purpose of the annotated outlines is to set out the proposed components of the chapters and to provide a broad description of the material that will be in each component. For four of the chapters for which annotated outlines have been prepared, there is a strong overlap with chapters in the updated *Balance of Payments Manual*; those annotated outlines were prepared in collaboration with the IMF *Balance of Payments Manual* editorial team. The annotated outlines were also prepared, where relevant, in collaboration with other economic statistics communities, such as those for government finance statistics, monetary and financial statistics and the System of Environmental-Economic Accounting. Other institutions with relevant expertise, such as ILO, were also involved in their preparation.

22. The annotated outlines for the 13 chapters were considered by the Advisory Expert Group on National Accounts and, where relevant, the IMF Committee on Balance of Payments Statistics in October 2022. They have been subject to global consultation in December 2022.

23. To aid the drafting of the updated SNA, a master log of changes has been developed by the lead editor. The master log contains an overview of all (potential) changes to the 2008 SNA, cross-classified with the chapters according to the agreed proposal for the overall outline of the 2025 SNA. For each change, a short summary of the recommendations and, if relevant, the changes to the guidance according to the 2008 SNA is provided, while the (potential) impact on the content of the 2025 SNA

is also shown. The master log is a “living document” and will continue to be updated as work progresses on resolving the research issues related to the update of SNA.

24. The master log will be used as the basis for preparing a consolidated list of recommendations for the updated SNA. That list will be available for global consultation around the middle of 2023. The consultation will focus on issues of consistency and understandability of the recommendations. However, it will not be an opportunity to reopen discussion on the recommendations, which are the outcome of extensive research and consultation. Following the consultation, the list of recommendations will be finalized and presented to the Commission at its session in 2024 for endorsement.

25. A glossary of terms and definitions is currently being developed and will underpin the updated *Balance of Payments Manual* as well as the 2025 SNA. The glossary also aims to harmonize the terms with those used in other macroeconomic statistics standards (on government finance statistics, monetary and financial statistics, the System of Environmental-Economic Accounting and labour statistics) and, where possible, those used in the International Accounting Standards and IPSAS, and those used by the Bank for International Settlements. As such, the glossary is being developed in collaboration with the relevant stakeholders. It is expected that it will be subject to global consultation in the middle of 2023.

26. Work on the actual drafting of the 2025 SNA will commence at the beginning of 2023. The initial focus of the work will be on the drafting of the new and significantly revised chapters, building on the annotated outlines. It is proposed that global consultation on the draft chapters be undertaken in the second half of 2023, with the chapters, most probably, being grouped together in four tranches of consultation over a six-month period.

27. Chapters that are not new or significantly revised will be circulated for consultation in mid-2024, when a full draft of the updated SNA will be available. To assist in this consultation, changes will be clearly identified in “tracked changes”. After feedback is incorporated, and following approval by the Advisory Expert Group on National Accounts, the 2025 SNA will be submitted to the Commission for its consideration in 2025, in accordance with the Commission’s endorsed work programme.

28. During 2025, the updated SNA will undergo formal editing and be translated into the official languages of the United Nations.

29. A key feature of the 2025 SNA is that it will be available in a digital format, as well as the traditional paper version. Work is progressing on determining the appropriate form for the digital version. It is planned that the platform for the digital version of the updated SNA will be shared with the updated *Balance of Payments Manual*, including the joint use of relevant text, in order to maximize consistency. It is hoped that this digital platform could, in time, provide a platform for digital versions of other macroeconomic statistics standards as they are updated in the coming years. A digital version of the glossary will be an essential component of the digital platform.

30. The 2025 SNA (and the updated *Balance of Payments Manual*) will be supported by an electronic compilers’ hub to enhance access by compilers to the international macroeconomic accounting manuals, classifications, related material, tools and research initiatives. An initial version is expected to be available in 2023.

6. Funding of the 2025 System of National Accounts

31. The updating project is funded in part from in-kind contributions by countries and international organizations and in part from a multi-donor trust fund. The trust

fund is managed by the World Bank through its Global Data Facility. Countries are also encouraged to contribute to the trust fund to complement their in-kind contributions.

32. The trust fund is used to fund the services of the editorial team of the updated SNA; the participation of experts from developing countries in the meetings of the task teams and the Advisory Expert Group on National Accounts; the early implementation of the new recommendations, particularly in countries with limited statistical capacity; consultancy services; the editing, translation, typesetting and printing of the 2025 SNA; and the creation of a digital version of the 2025 SNA.

III. Progress in resolving issues related to the System of National Accounts research agenda

A. Advisory Expert Group on National Accounts

33. In 2022, four meetings of the Advisory Expert Group on National Accounts were held. Three were online – in March, April and May, and July – and one was held in person in October, the first in three years. The main purpose of the meetings was to provide guidance on the work programme for updating the 2008 SNA and to review and advise on the finalization of draft guidance notes prepared by the task teams. The conclusions of the meetings are available on the website of the Advisory Expert Group (see <https://unstats.un.org/unsd/nationalaccount/ramtg.asp?fType=2>).

34. Continuing with the practice established in 2021, the March and October meetings included joint meetings with the IMF Committee on Balance of Payments Statistics, reinforcing the commitment to align the work related to the updating of the 2008 SNA and the sixth edition of the *Balance of Payments Manual* and to resolve research issues of common interest in the most efficient way.

B. Assessment of the System of National Accounts research agenda

35. A key element for progressing the research agenda is the preparation of guidance notes covering the research issues relevant to the updating of the 2008 SNA. A total of 65 guidance notes have been prepared by task teams, mainly consisting of country representatives; representatives from organizations of the Intersecretariat Working Group on National Accounts and other international organizations; and experts from research and business accounting institutions. Significant effort has gone into the preparation of the guidance notes, which have proven to be an invaluable mechanism for efficiently and effectively dealing with research issues. Of the guidance notes, 53 have been prepared by SNA task teams and joint SNA/*Balance of Payments Manual* task teams; the work on the remaining 12 guidance notes has been led by *Balance of Payments Manual* task teams.

36. At the time of reporting, the Advisory Expert Group had endorsed 30 guidance notes for publication. A further 17 are in the process of being finalized. Ten remain subject to testing and will be finalized after the testing is completed. The remaining eight guidance notes have all been discussed by the Advisory Expert Group and are being prepared for global consultation. It is expected that all guidance notes will have been finalized by the first half of 2023.

37. A note describing “an assessment of the SNA research agenda”, prepared by the lead editor, was discussed and endorsed at the Advisory Expert Group meeting held in October 2022. Section III of the background document to the present report provides an assessment of the progress regarding the agreed research agenda,

including proposals for the way forward. The assessment serves as a way of monitoring the progress made with regard to the update of the 2008 SNA.

38. A related issue is the need to start developing a list of issues for the post-2025 SNA research agenda, to be included in an annex to the 2025 SNA. The note on an assessment of the SNA research agenda provides some initial ideas. However, a more comprehensive list needs to be developed in consultation with key stakeholders, followed by global consultation. Following approval by the Advisory Expert Group, the post-2025 SNA research agenda will be subject to final endorsement by the Commission as part of the 2025 SNA.

39. It has been agreed that, once the post-2025 SNA research agenda has been finalized, the research issues will be prioritized and task teams established to draft guidance notes on the issues for consideration by the Advisory Expert Group (and, where relevant, other communities for macroeconomic statistics) and subsequent global consultation.

IV. Work programmes of the Intersecretariat Working Group on National Accounts and of the regional commissions

40. The Working Group and the regional commissions continue to support the implementation of SNA and other internationally agreed standards in economic statistics in accordance with the global implementation programme of SNA and supporting statistics. In that regard, the activities undertaken cover various aspects of the statistical production process for national accounts, as reflected in the various training workshops and seminars organized by the Working Group and the regional commissions. A summary of activities related to economic statistics and national accounts, undertaken in 2022 and to be undertaken in 2023, by the Working Group and the regional commissions is provided in section IV of the background document.

V. Reporting of annual national accounts data

41. In accordance with the request of the Commission, the Statistics Division evaluates the availability and scope of official national accounts data reported by Member States and their conceptual compliance with the recommendations of the 2008 SNA. Although the need for quarterly national accounts data to facilitate appropriate policy responses is recognized in the minimum required data set, only some of the relevant data are available for 145 Member States. For that reason, the evaluation is limited to the availability and scope of official annual national accounts data.

42. National accounts data were submitted to the Statistics Division by 165 Member States during the 2022 reporting period, slightly fewer than the 170 received in the previous reporting period. It should be noted that the same Member States do not always report every year. The timeliness of data in the 2022 reporting period has remained the same as in the 2021 reporting period, with 115 Member States submitting data for the year 2021.

43. Assessing the scope of national accounts data using the minimum required data set¹ shows that there is still a relatively large number of Member States that do not comply with the minimum required scope and detail of national accounts data. It is

¹ The minimum required data set is defined in documents [E/CN.3/2001/7](#) and [E/CN.3/2011/6](#).

concerning that most of these Member States also have outdated benchmark estimates, which severely impact the quality of their national accounts data.

44. Conceptual compliance with either the 1993 or the 2008 SNA increased from 97 Member States in 2007 to 188 Member States in 2022, with 123 Member States having implemented the 2008 SNA as at the end of 2022. The latter group includes Member States that have implemented the 2008 SNA without necessarily having implemented the 1993 SNA. Only five Member States are deemed to compile their national accounts according to the 1968 SNA.

45. The more detailed assessment provided in section V of the background document is based on replies received to the United Nations national accounts questionnaire over the past five reporting periods (2018–2022).

VI. Action to be taken by the Statistical Commission

46. **The Commission is invited:**

(a) **To express its views on the progress with the work programme for updating the System of National Accounts 2008, as presented in section II;**

(b) **To express its views on the progress in resolving issues related to the SNA research agenda, as presented in section III;**

(c) **To express its views on the work programmes of the Working Group and of the regional commissions, as presented in section IV;**

(d) **To express its views on the reporting of annual national accounts data, including the changeover to the 2008 SNA, as presented in section V.**
