The 2008 SNA update

An Overview

United Nations Statistics Division
Three-pronged approach

Technical research
- [Sub/Joint] Task Teams
- Specific timeline and outputs
- Draft guidance notes:
  - clarification, interpretation or change;
  - central system, supplementary tables, or satellite accounts;
- implementation tested through country experimentation and testing

Broad consultation
- Involve broad set of users in the discussion, including policymakers, academia and private sector representatives
- Regular regional and global consultancies;
- Global user conferences on economic statistics

Ensuring overall consistency
- Collaborate with experts in: classifications, BPM, GFSM, MFSM, SEEA, labor, prices, agriculture, and business and trade statistics, etc.
Updating Macroeconomic Accounting Standards


- The “updates” can be categorized into three main groups:
  1. Conceptual Updates (i.e., change in what is measured)
  2. Methodological Updates (i.e., change in how activities are measured)
  3. Presentational Updates (i.e., change in how the statistics are presented)
SNA update process as approved by the 2020 UNSC

- Identification of **conceptual** solutions subject to **practical** testing
- Iterative improvement of **guidance notes**
- Coordination between NA and other domains (incl. classifications) & **alignment** with other macroeconomic standards
- **User** input
- SNA extension (**supplementary tables** / satellite accounts)

**Principles**

- Editing system
- Reinforce **communication**
  - Dedicated website
  - SNA ‘branding’
  - Digitize the SNA
- Support to **developing countries**
- **Human and financial resources**

**Critical Mass**

**Consultation & Testing**

**Issue 1**

**Issue 2**

**Issue 3**

**Issue n**

**Guidance notes**

**Major Update**

**Necessary Elements**

**What Issues?**
How much of this is "real" GDP?

Ireland’s National Accounts 2015

- Exports  $\Delta \uparrow$  50%
- Nominal GDP  $\Delta \uparrow$  35%
- Real GDP  $\Delta \uparrow$  26%
What is the value of Data?

Experimental Stock Estimates - Canada

Data 11.8b
Databases 9.8b
Data Science 13.1b
Moving from averages to distributions?

Share of Personal Income (2016) by Decile (US)

- Top Decile: 37.6%
- Middle Decile: 7.2%
- Bottom Decile: 2.1%

"Issues" we hope to address for users
Should we value “free” digital services?

“Issues” we hope to address for users

Free Services

Google

Email

Maps

Video

E-commerce

Social media

Music

Messaging

From: “How Should We Measure the Digital Economy?” by Erik Brynjolfsson and Avinash Collis, November-December 2019

© HBR

Wikipedia

The Free Encyclopedia

LinkedIn
"Issues" we hope to address for users

Should we include human capital in the asset boundary

Table 6.10
Total wealth in Canada, billions of current dollars

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total capital stock</td>
<td>3,081</td>
<td>4,849</td>
<td>9,336</td>
</tr>
<tr>
<td>Non-human capital stock</td>
<td>2,251</td>
<td>3,351</td>
<td>6,358</td>
</tr>
<tr>
<td>Residential structures</td>
<td>560</td>
<td>861</td>
<td>1,746</td>
</tr>
<tr>
<td>Non-residential structures</td>
<td>596</td>
<td>775</td>
<td>1,364</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>180</td>
<td>272</td>
<td>312</td>
</tr>
<tr>
<td>Intellectual property products</td>
<td>49</td>
<td>93</td>
<td>191</td>
</tr>
<tr>
<td>Consumer durables</td>
<td>222</td>
<td>333</td>
<td>489</td>
</tr>
<tr>
<td>Inventories</td>
<td>142</td>
<td>187</td>
<td>232</td>
</tr>
<tr>
<td>Weapons systems</td>
<td>5</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Land</td>
<td>497</td>
<td>825</td>
<td>2,017</td>
</tr>
<tr>
<td>Human capital stock</td>
<td>830</td>
<td>1,498</td>
<td>2,977</td>
</tr>
</tbody>
</table>

Addendum

Ratio of human to nonhuman capital stock 0.37 0.45 0.47
How can we better reflect the interaction between the economy and the environment?

Environmental Issues

Degradation

Biodiversity

Sustainability

“Issues” we hope to address for users
What are cryptocurrencies

Distributed Ledgers
## What is the size of the Informal Economy?

<table>
<thead>
<tr>
<th>Country</th>
<th>Official Estimate</th>
<th>Medina and Schneider 2019</th>
<th>Difference</th>
<th>Reference Year of Official estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Namibia</td>
<td>1.2</td>
<td>31.4</td>
<td>-30.2</td>
<td>2001</td>
</tr>
<tr>
<td>Tanzania</td>
<td>3.6</td>
<td>47.2</td>
<td>-43.6</td>
<td>2015</td>
</tr>
<tr>
<td>Botswana</td>
<td>8</td>
<td>72.6</td>
<td>-64.6</td>
<td>2007</td>
</tr>
<tr>
<td>Fiji</td>
<td>9.8</td>
<td>23.4</td>
<td>-13.6</td>
<td>2018</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>10</td>
<td>36.1</td>
<td>-26.1</td>
<td>2011</td>
</tr>
<tr>
<td>South Africa</td>
<td>11.2</td>
<td>24.1</td>
<td>-12.9</td>
<td>2013</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>12.1</td>
<td>29.3</td>
<td>-17.2</td>
<td>2015</td>
</tr>
<tr>
<td>Angola</td>
<td>16</td>
<td>39.0</td>
<td>-23.0</td>
<td>2009</td>
</tr>
<tr>
<td>Malawi</td>
<td>20</td>
<td>33.9</td>
<td>-13.9</td>
<td>2017</td>
</tr>
<tr>
<td>Gambia</td>
<td>27</td>
<td>47.5</td>
<td>-20.5</td>
<td>2013</td>
</tr>
<tr>
<td>Mali</td>
<td>25</td>
<td>32.7</td>
<td>-7.7</td>
<td>2013</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>26</td>
<td>46</td>
<td>-20</td>
<td>2017</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>30</td>
<td>29.6</td>
<td>0.4</td>
<td>2013</td>
</tr>
<tr>
<td>Lebanon</td>
<td>30</td>
<td>27.1</td>
<td>2.9</td>
<td>2011</td>
</tr>
<tr>
<td>Kenya</td>
<td>31.4</td>
<td>29.7</td>
<td>1.7</td>
<td>2009</td>
</tr>
<tr>
<td>Belize</td>
<td>35</td>
<td>41.1</td>
<td>-6.1</td>
<td>2014</td>
</tr>
<tr>
<td>Nigeria</td>
<td>35</td>
<td>53.2</td>
<td>-18.2</td>
<td>2010</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>44.7</td>
<td>33.1</td>
<td>11.6</td>
<td>2017</td>
</tr>
<tr>
<td>Cameroon</td>
<td>46.8</td>
<td>29.3</td>
<td>17.5</td>
<td>2016</td>
</tr>
<tr>
<td>Congo (Democratic Republic)</td>
<td>48</td>
<td>43.4</td>
<td>4.9</td>
<td>2013</td>
</tr>
<tr>
<td>Benin</td>
<td>62.8</td>
<td>47.6</td>
<td>15.2</td>
<td>2015</td>
</tr>
</tbody>
</table>

Source: 2017 IMF Regional Economic Outlook; Sub-Saharan Africa; IMF survey of national statistical offices on informal economy estimates (2020)
What is the difference between property income and rental income

Outdated Terms?

➢ Primary Income
➢ Resources / Uses
➢ Generation of income account?
Guidance Notes - Cycle

Here is where your inputs are required/welcomed

Task Teams

AEG/ISWGNA

Global Consultation

Feedback

Clearance

Recommendations

Experimental Estimates

Guidance Notes (Final Version)

Endorsement

Here is where your inputs are required/welcomed
Guidance Note Life Cycle

Guidance Note (GN) drafted by TT

Public/Global consultation including experimentation and testing

Draft GNs reviewed by the committees AEG/ISWGNA, BOPCOM BPTT, etc. => Clearance

Second round review [Only if significant changes]

TT sends GN to the committees AEG/ISWGNA, BOPCOM, etc.

Joint Endorsement

Decision by BOPCOM for BPM6 Update
UNSC for 2008 SNA update

Divergence

Dispute resolution
Task Teams

- GZTT: Globalization
- DZTT: Digitalization
- WSTT: Well-being and sustainability
- IFTT: Islamic Finance
- CMTT: Communication
- FITT: Financial issues
- IETT: Informal Economy
- BPTT: Balance of Payments
### Task Teams (Secretariats)

<table>
<thead>
<tr>
<th>Task Team</th>
<th>Secretariat/Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>GZTT</td>
<td>IMF</td>
</tr>
<tr>
<td>DZTT</td>
<td>Eurostat</td>
</tr>
<tr>
<td>WSTT</td>
<td>OECD</td>
</tr>
<tr>
<td>IFTT</td>
<td>UNSD and ESCWA</td>
</tr>
<tr>
<td>CMTT</td>
<td>IMF, World Bank, UNSD</td>
</tr>
<tr>
<td>FITT</td>
<td>IMF, Eurostat, OECD</td>
</tr>
<tr>
<td>IETT</td>
<td>IMF and UNSD</td>
</tr>
<tr>
<td>BPTT</td>
<td>IMF</td>
</tr>
</tbody>
</table>

### Guidance notes (#75)

- **Globalization** - 9
- **Digitalization** - 9
- **Well-being and sustainability** - 14
- **Islamic Finance** - 6
- **Communication** - 3
- **Financial issues** - 18
- **Informal Economy** - 4
- **Balance of Payments** - 16

* Some GNs are being developed by joint TT.
Assessment and Experimental Estimates Component (AEE)

- Baseline assessment
  ✓ Structural information
  ✓ Specific information
- Experimental Estimates / Early Implementation
- Reporting/gathering results (central repository)

Implementation feasibility of the recommendations
Impact assessment of the recommendations
Feedback – information sharing
Questions for consideration:

• What would be the main priority or most relevant issues for your country?

• Do plan to participate in the global consultation?
  o If not, why? Is there anything we can do to help you participate?
Thank you