WELLBEING AND SUSTAINABILITY IN THE SNA UPDATE

ENVIRONMENTAL-ECONOMIC ACCOUNTS STATUS AND GOVERNANCE

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Presentation to the UNCEEA, June 15, 2021
Outline

• SNA revision process, timeframes and governance
  • Source: UNSD

• The ISWGNA task team on Wellbeing and Sustainability
• Status of issues in scope for the area group on Environmental-Economic Accounting
• Ensuring alignment with the SEEA
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)

Source: UNSD
The Update Process

- **UNSC**: launch update process
  - **UNSC**: adopt recommendations
  - **BOPCOM**: launch update process
    - **BOPCOM**: endorse draft AO after public consultation
  - **UNSC**: adopt 2025 SNA

**SNA**

- **BOPCOM**: launch update process
  - **BOPCOM**: endorse draft AO after public consultation
  - **BOPCOM**: agree on BPM7

**BPM**

- **Research work, leading to draft annotated outline (AO)**
  - **UNSC**: adopt recommendations
  - **Draft 2025 SNA, incl. country consultation on new text**

**Several common issues**

- **Development of guidance notes & country consultation and testing**
- **Draft BPM7, including country consultation on new text**

**Iterative drafting of the update of the 2008 SNA 2022 - 2024**

**Mar. 2020**

- 2020-2022
- 2020-2023

- **June 2022**
- **July 2022-Mar. 2025**

**Mar. 2024**

- **2024**
- **Oct. 2024**
- **Mar. 2025**

**Source: UNSD**
Key SNA Governance Bodies

Intersecretariat Working Group on National Accounts (ISWGNA)
   Participation from UN, IMF, OECD, Eurostat, World Bank
   Chair rotates every two years (currently UNSD)

Advisory Expert Group on National Accounts (AEG)
   Approx. 20 country experts, providing technical guidance to the ISWGNA

Overall coordination and management of SNA update process: UNSD
Three-pronged approach

**Technical research**
- Task teams/sub-task teams/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- Draft guidance notes: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, classifications, etc.

Source: UNSD
Task teams

A number of workstreams were launched to resolve issues related to priority areas.

The workstreams are organized by Task Teams

SNA and joint TTs led by members of the AEG while ISWGNA members provide secretariat services

Guidance notes will be developed for each of the prioritized issues covering both conceptual and practical guidance.

Source: UNSD
Guidance notes

Clearly identify issues affecting the central framework compared with those that would be addressed in supplementary tables or satellite accounts.

Not only the conceptual implications but also the feasibility of implementing the proposed conceptual solutions.

The practical guidance reflects on the experimentation and testing of the compilation issues.

Source: UNSD
The Project – Over 300 experts across 10 Task Teams

- Over 300 experts across 10 Task Teams
- Cooperation
- Consistency

Task Team Membership

- Wellbeing
- Intellectual Property Products
- Informal Economy
- Globalization
- Financial and Payments Systems
- Direct Investment
- Digitalization
- Current Account
- Communication
- Balance of Payments

Number of Members

Source: UNSD
Guidance Note Life Cycle

Guidance Note (GN) drafted by TT

Public consultation including experimentation and testing

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

Second round review [Only if significant changes]

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

Joint Endorsement

Divergence

Dispute resolution

Decision by BOPCOM for BPM6 Update
UNSC for 2008 SNA update

Source: UNSD
Wellbeing and sustainability task team

**Co-chairs:** Catherine Van Rompaey (World Bank) and Gabriela Saborio (Central bank of Costa Rica)  **Secretariat:** Jorrit Zwijnenburg, Virginie Elgrably (OECD)

**Six area groups:**

1. **A Broader SNA framework for Wellbeing and Sustainability**
   - Catherine Van Rompaey, World Bank

2. **Distributions of household income, consumption saving and wealth**
   - Amanda Seneviratne, Australian Bureau of Statistics

3. **Unpaid household service work**
   - Chris Payne, UK Office for National Statistics

4. **Labour, education and human capital**
   - Michael Smedes, Australian Bureau of Statistics

5. **Health and social conditions**
   - Dylan Rassier, US Bureau of Economic Analysis

6. **Environmental-economic accounting – multiple guidance notes on specific issues**
   - Joe St-Lawrence, Statistics Canada
Lead: Joe St. Lawrence, Statistics Canada

Alessandra Alfieri (UNSD), Nils Brown (Statistics Sweden), Adam Dutton (UK ONS), Bram Edens (UNSD), Dennis Fixler (US Bureau of Economic Analysis), Raúl Figueroa Díaz (INEGI, Mexico), Aldo Femia (Istat), Joao Carlos Fonseca (IPSASB), Francisco Guillen (INEGI, Mexico), Mark de Haan (Statistics Netherlands), Ivo Havinga (UNSD), Greg Legoff (IMF), Emmanuel Manolikakis (IMF) Carl Obst (consultant), Philippe Samborski (Statistics Canada), Sjoerd Schenau (Statistics Netherlands), Anton Steurer (Eurostat), Phil Stokoe (IMF), Jim Tebrake (IMF), Gemma Thomas (UK ONS), Peter van de Ven (former OECD), Catherine Van Rompaey (World Bank), Michael Wolf (Statistics Sweden).
SNA guidance for environmental-economic accounts

Endorsed by Advisory Expert Group for global consultation:
- Ownership and depletion of natural resources
- Emissions permits

In progress:
- Accounting for biological resources
- Provisions
- Valuation methods
- Renewable energy resources
- SEEA classifications

Under consideration:
- Recording of losses
- Distinction between tax and service transaction
Ensuring alignment with SEEA

- SNA discussions will have implications for the SEEA-CF
  - Need to ensure alignment with updated standards

- SEEA experts participate on area group

- Remaining draft SNA guidance targeted for this Fall
  
  - Discussions in course on best mechanism to ensure review and formal endorsement within SEEA governance process

- Must work within timeframes for SNA revision
Thank you!

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