Over the past two decades a new system of macroeconomic statistics was formed in the Commonwealth of Independent States and countries have made significant progress in implementing the System of National Accounts. At present, all countries are regularly compiling a wide range of main accounts. Report presents the results of a survey on the topic of development work on the implementation of the System of National Accounts 2008, which was organized by the Statistical Committee of the Commonwealth of Independent States in June 2013. It presents an overview of the main issues of the transition from the System of National Accounts 1993 to the System of National Accounts 2008 in the Commonwealth of Independent States and the progress in implementation of the System of National Accounts 2008. The report also describes the activities of the Statistical Committee of the Commonwealth of Independent States in promoting the transition to the System of National Accounts 2008 in the Commonwealth of Independent States.
I. **General characteristics of national accounts compilation in CIS countries**

1. Over the last two decades a new system of macroeconomic statistics has actually been established in CIS countries, and substantial progress has been achieved in the implementation of a system of national accounts. Historically, the beginning of national accounts compilation in CIS countries coincided with a new stage in world statistics – the implementation of 1993 SNA.

2. The development of accounts compilation in CIS countries went simultaneously in two opposing directions. On the one hand, work was done top down when attention (especially in the beginning) was mainly paid to the calculation of GDP estimates – an apex of the statistical pyramid, the most aggregated economic indicator. On the other hand, there was bottom up, when primary statistical data have been gradually improved which was a mandatory condition for the development of a system of accounts.

3. At present, all countries are regularly compiling a wide range of main accounts.

4. In June 2013, CIS-Stat conducted a survey of 2008 SNA implementation in CIS countries. A questionnaire “Current practices of GDP calculations in CIS countries” was developed and sent out to the national statistical offices (NSOs). The questionnaire comprised two parts. The first part “General characteristic of GDP calculations” contained questions related to obtaining the key SNA indicators, as basis for GDP calculations. The second part “Estimation of imputed rent for owner-occupied housing in GDP calculations” contained questions on the methodological approaches used in CIS countries for assessing house rents.

5. All countries that participated in the survey regularly compile the following consolidated accounts on the basis of SNA 93: goods and services account, production account, generation of income account, allocation of primary income account, secondary distribution of income account, use of disposable income account, capital account, and such accounts for rest of the world as account of goods and services, primary income account, current transfers, and capital account. Domestic economy accounts are compiled by kinds of activity and by institutional sectors. In the majority of countries the NSOs started to implement certain provisions of 2008 SNA.

6. Some CIS countries compile Supply and Use Tables (SUT) regularly on the basis of conducted surveys:

   - in Kazakhstan rather detailed SUT are compiled: by 114 kinds of activity and 698 types of goods and services; the respective time series have been maintained since 2000;

   - Azerbaijan, Armenia, Kyrgyzstan, Moldova, and Russia have compiled detailed SUT for some years.

7. Input / Output Tables (IOT) on the basis of surveys’ data are regularly compiled by the majority of national statistical offices. In Ukraine the IOT in consumer and basic prices are annually compiled on the basis of a full scale statistical survey starting from 1994.

8. In some countries detailed IOT have been compiled for certain years.

9. The financial account is compiled on a regular basis in three countries: Belarus, Kazakhstan, and Ukraine.

10. At present, no CIS country compiles an account for other changes in volume of assets in full. On an experimental basis calculations are done in Kazakhstan and in Ukraine.
11. The fact that the financial account and the account for other changes in volume of assets are not compiled makes it difficult to obtain full and consistent estimates of changes in capital value in the accounting period and verify the compilation of current and capital accounts.

12. Assets and liabilities balance sheets are compiled on an experimental basis in Belarus, Kazakhstan, and Ukraine.

13. At present, satellite accounts are being developed in some countries. In Ukraine, starting from 2004, satellite accounts have been compiled for healthcare, education, R&D, ecology, and agriculture; it is planned to compile a tourism satellite account. In Kazakhstan a tourism satellite account is being developed; test calculations have been done since 2011 for healthcare and environmental accounts.

14. One of the important tasks in terms of developing SNA in CIS countries is the estimation of FISIM. Some countries have started to allocate FISIM; for example Azerbaijan, Kazakhstan, and Russia carry out FISIM allocations by kinds of economic activity and by institutional sectors on a regular basis.

II. Estimation of imputed rent for owner-occupied housing in GDP calculation

15. The estimation of imputed rent for owner-occupied housing for GDP calculation is one of the acute issues for the CIS NSOs, that’s why this theme was included as a separate topic in the 2013 survey.

16. According to NSOs, in the majority of countries the share of owners’ occupied dwellings in the total housing stock is around 90%.

17. Some countries carry out calculations of the market value of housing stock. However, it is still difficult to draw definitive conclusions regarding the completeness of these calculations. Data presented by the countries demonstrate that different approaches have been used for valuation, while the reliability of the quantitative estimates has not been assessed. It should be noted that sometimes expert estimates have played an important role (e.g. for rate of return estimates, etc.).

18. Comprehensive estimation of imputed rent for owner-occupied housing can be seen as one of the important issues for further development of GDP calculations in CIS countries.

III. Key issues of transition from 1993 SNA to 2008 SNA in the CIS region

19. In the statistical practices of CIS countries there are still several areas related to the compilation of national accounts which should be further developed. In view of the transition to 2008 SNA these issues have become even more important. Among them the following issues can be mentioned:

   - the further development of accumulation accounts, including financial account and other changes in volume of assets account;
   - compilation of an assets and liabilities balance sheet;
   - compilation of satellite accounts;
   - enhancing the measurement of informal and illegal activities;
- improving regional accounts (overcoming the discrepancies between GDP estimates and a sum of GRP estimates, especially when these discrepancies are large);
- enhancing FISIM calculations, rejection of a simplified approach to estimating FISIM as intermediate consumption of a notional industry;
- implementation of perpetual inventory method to calculate consumption of fixed capital; accounting for stocks of fixed assets in current market prices and not in acquisition prices of the respective years;
- harmonizing between national accounts and other systems of macroeconomic indicators, in particular, government finance statistics;
- estimation of financial assets and other non-produced assets (tangible and intangible) for estimating total assets, and not only fixed assets and inventories;
- widespread introduction of adjustments for changes in households’ assets in pension funds;
- enhancing calculations of imputed rent for owner-occupied housing in GDP;
- obtaining consistent GDP and its components estimates in constant prices.

20. It should be noted that the implementation of 2008 SNA in CIS countries requires much effort from NSOs and other agencies responsible for producing macroeconomic statistics. It is necessary to introduce some changes into definitions and classifications, into accounting and reporting procedures, and into sample survey programs. Cooperation of statistical offices with ministries of finance and national banks and coordination of their efforts on implementing new standards of national accounts, government finance and balance of payments are of great importance.

21. From the theoretical point of view, the majority of changes suggested in 2008 SNA are acceptable for CIS countries, however, there are many practical problems mainly related to collecting primary data.

22. Various proposals for implementation of 2008 SNA differ in terms of related burdens on statistical offices and required resources. Some proposals assume availability of certain institutional conditions and rather high development levels of both the system of national accounts and statistics as a whole. It should be taken into account that the implementation of these proposals shall go in parallel with the realization of those concepts of 1993 SNA which are not affected by the proposed changes and are preserved in 2008 SNA.

23. The majority of CIS countries have set priorities for the implementation of the 2008 SNA concepts and adopted plans for this work. These priorities are considered in the following order:

- changes affecting estimates of the size, structure and growth rates of GDP;
- changes affecting other indicators from the main set of accounts compiled in CIS countries;
- changes related to the accounts that are not yet compiled in CIS countries;
- changes that are irrelevant for CIS countries, as respective phenomena are not observed (or only slightly present) in their economies;
- changes in terminology, definitions and classifications.

24. At the initial stage of 2008 SNA implementation, attention has mainly been paid to those issues which affect GDP estimates in current and constant prices and other estimates from the main set of accounts compiled by the countries. The introduction of other changes
seems reasonable for later stages. Those changes that affect accounts that are not yet being compiled will be introduced in the process of developing those accounts. Changes reflecting economic phenomena that are not currently relevant for the countries will be implemented as they become available in the economies of these countries. Changes in terminology, definitions and classifications are introduced at the initial stage of implementing the 2008 SNA provisions if they relate to indicators and classifications already used in statistical practices. Otherwise, they will be considered while introducing changes in the respective sections of the SNA, which are not currently being developed or are irrelevant.

IV. Plans for 2008 SNA implementation and their realization

25. In April 2012, CIS-Stat held a meeting of experts from the national statistical offices on the implementation of 2008 SNA. The participants exchanged opinions and discussed ways to introduce new methodology in the region.

26. Work on the implementation of the 2008 SNA provisions has started in all countries. In order to enhance the efficiency of these efforts, inter-agency working groups have been established with the participation of representatives of national statistical offices, finance ministries, and central banks. In some countries (e.g. Ukraine) such working groups have been active for several years already, as they were established at an earlier stage for the implementation of 1993 SNA.

27. At present, some countries have already started to put into practice certain provisions of 2008 SNA. National statistical offices of CIS countries consider the following areas to be important:

- the creation and introduction of classifications in compliance with the SNA methodology;
- further cooperation of statistical offices with other agencies, first of all, finance ministries and central banks;
- familiarization of national accountants from CIS countries with the practices for implementing 2008 SNA in other countries.

28. Activities planned in CIS countries in respect to 2008 SNA implementation are reflected in the official documents of the national statistical offices. Depending on the peculiarities of each NSO, plans for 2008 SNA implementation differ in their composition, scale, and covered periods. In some CIS countries activities targeted at 2008 SNA implementation are part of wider programs for the development of statistical systems.

29. The program documents on implementing 2008 SNA were adopted in the majority of the CIS countries. They are being realized in Azerbaijan and Kazakhstan – since 2012; in Armenia, Belarus, Kyrgyzstan, Moldova, and Ukraine – since 2013. Such documents have not yet been adopted in Russia, Tajikistan, Turkmenistan, and Uzbekistan (as of March 2014).

30. CIS-Stat actively supports work on transition to 2008 SNA in the CIS region. In 2011-2013 CIS Stat prepared and sent out to the countries recommendations for applying the main provisions of 2008 SNA in the following areas:

- FISIM calculations;
- treatment of output of Central Banks services;
- treatment of R&D;
- reflection of R&D expenditure in the capital account;
- reflection of expenditures on military weapon systems in the capital account.

31. Recommendations for treatment of non-life insurance services in compliance with 2008 SNA are being elaborated. In 2014, CIS-Stat also plans to prepare recommendations on linking government finance statistics and national accounts by conversion keys method, basing on GFSM 2014 and 2008 SNA.

32. As it was emphasized in the resolution of the 2008 SNA implementation meeting (CIS-Stat, April 2012) the strategic goal of bringing 2008 SNA into practice is very important and national statistical offices shall exercise a balanced approach to this work.

33. Implementation of the methodological standards of 2008 SNA is a lengthy process that requires not only development of methodology, but also undertaking many organizational decisions. It assumes the availability of a wide range of conditions, including necessary improvements of general statistics and sufficient levels of organizational, financial and human resource capacities in the statistical systems.

34. Implementation of the 2008 SNA is not seen as an independent goal, but as a mechanism to improve statistics and to ensure the international comparability of data. National plans for the introduction of the 2008 SNA involve a consistent implementation as the necessary conditions come into being.