SNA Update Project

SEPTEMBER 1, 2020

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Real Sector Division
IMF Statistics Department
- The benefits for the user
"Issues" we hope to address for users

How much of this is real FDI?

Top FDI recipients & generators (CDIS 2018 data)

01 Netherlands
03 Luxembourg
06 China P.R., Hong Kong
“Issues” we hope to address for users

How much of this is “real” GDP?

Ireland’s National Accounts - 2015

50% Exports
34% Nominal GDP
25% Real GDP
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What is the value of Data?

Experimental Stock Estimates - Canada

104.8b Data
18.6b Databases
33.5 Data Science
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Moving from averages to distributions?

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

- 90%-100%
- 80%-90%
- 70%-80%
- 60%-70%
- 50%-60%
- 40%-50%
- 30%-40%
- 20%-30%
- 10%-20%
- 0%-10%


- 37%  Top Decile
- 7.2%  Middle Decile
- 2.1%  Bottom Decile
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Should we value “free” digital services?

Free Services

✓ Google Search
✓ Youtube Viewing
✓ Wikipedia
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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>
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</tbody>
</table>

Addendum

Ratio of human to nonhuman capital stock

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio of human to nonhuman capital stock</td>
<td>0.37</td>
<td>0.45</td>
<td>0.47</td>
</tr>
</tbody>
</table>
“Issues” we hope to address for users

How can we better reflect the interaction between the economy and the environment.

Environmental Issues

- Biodiversity
- Sustainability
- Degradation
“Issues” we hope to address for users

What are cryptocurrencies

Distributed Ledgers
“Issues” we hope to address for users

What is the size of the Informal Economy?

Official estimates of the “informal economy” selected countries

30% Ethiopia
62% Benin
9% Fiji

<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>5</td>
<td>25.9</td>
<td>-21.9</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>35.1</td>
<td>-25.1</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>Cabo Verde</td>
<td>12.1</td>
<td>29.3</td>
<td>-17.2</td>
<td>2015</td>
</tr>
<tr>
<td>Angola</td>
<td>15</td>
<td>39.0</td>
<td>-24.0</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>21</td>
<td>47.5</td>
<td>-21.5</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>25</td>
<td>46</td>
<td>-21</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>2015</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>43.1</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)
“Issues” we hope to address for users

What is the difference between property income and rental income

Outdated Terms?

➢ Primary Income
➢ Resources / Uses
➢ Generation of income account?
The Project
The Project – A global effort

Global Membership

✓ Contributions from over 20 countries
✓ Secretariat services provided from 4 international agencies
✓ Experts from six statistical domains
The Project – Current Task Teams

**SNA priority areas**
- Globalization
- Digitalization
- Well-Being & Sustainability

**Joint priority areas**
- Financial issues
- Islamic Finance
- Informal economy
- IPP
- Communication
- Statistical units
- Classifications

**BPM priority areas**
- BOP
- Current Account
- Direct investment
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
The Project – Over 80 issues currently being addressed

11 SNA issues
47 BPM issues
31 Joint SNA/BPM issues
The Project – Task Team Activities (Example)

<table>
<thead>
<tr>
<th>Task</th>
<th>Responsibility</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop Draft Guidance Note</td>
<td>GN Drafted by TT</td>
<td>TT members</td>
</tr>
<tr>
<td></td>
<td>Circulate GN to BPTT and/or AEG for review</td>
<td>TT members</td>
</tr>
<tr>
<td></td>
<td>Update GN to take into account feedback from BPTT and AEG</td>
<td>TT members</td>
</tr>
<tr>
<td></td>
<td>Approve for Global Consultation</td>
<td>TT members</td>
</tr>
<tr>
<td>Global Consultation and Testing</td>
<td>Circulate for Global Consultation</td>
<td>ISWGNA/BOPCOM</td>
</tr>
<tr>
<td></td>
<td>Identify countries for pilot testing</td>
<td>ISWGNA/BOPCOM</td>
</tr>
<tr>
<td></td>
<td>Conduct pilot tests</td>
<td>Countries</td>
</tr>
<tr>
<td></td>
<td>Develop Final Guidance Note</td>
<td>TT updates GN based on results of pilot tests and global consultation</td>
</tr>
<tr>
<td></td>
<td>Circulate GN to BPTT and/or AEG for review</td>
<td>TT members</td>
</tr>
<tr>
<td></td>
<td>BOPCOM / ISWGNA Review and Adoption</td>
<td>TT members</td>
</tr>
<tr>
<td></td>
<td>ISWGNA submits recommendation to UNSC</td>
<td>BPTT</td>
</tr>
<tr>
<td>Drafting - Updated SNA</td>
<td>Incorporate Final Guidance Note</td>
<td>ISWGNA</td>
</tr>
</tbody>
</table>

1. Development of the GN
2. Global Public Consultation
3. Adjustment (if necessary) and Adoption
4. Integration and drafting
Given the complexities of the project and the large amount of global resources dedicated to the update process the secretariats of the different TTs have gotten together to add some project rigor to the management of the update process.
END

Thank you!