

## **ANNEX 3**

### **Joint sub-Task Team on Terminology and “Branding” of the macroeconomic accounting frameworks**

#### **Terms of Reference**

##### **Background**

3.1. At its 13th Meeting, the Committee of Experts on national accounts represented by the Advisory Expert Group (AEG) and the ISWGNA recognized that the SNA brand is perceived to be strong, although currently less effectively communicated, and stressed the need for a more user-friendly terminology, while acknowledging the challenges in finding a common terminology that would fit all users. The Committee recommended that guidance on the branding of the SNA and a communication strategy for the update of the SNA be developed. It was noted that the need for rebranding does not just apply to the SNA. Updated branding of the BPM, GFS and MFS would also be helpful and welcome.

3.2. This terms of reference describes the background, objective, main activities, governance, reporting, expected deliverables and timeline of the Joint sub-Task Team working on the terminology and “branding” of macroeconomic accounting manuals.

##### **Objective**

3.3. The objective of the workstream on terminology and branding will be to conduct a review of the current macroeconomic accounting terminology and branding across countries and, based on this review, seek to foster comparability, consistency, and understanding of macroeconomic by users. The objective of the work of the Joint sub-Task Team does not include changing the concepts currently used, but to identify complementary alternative terms for more consistent and accurate use in the communication with non-experts, to better convey the meaning and interpretation of the definition, concept, and data to users. The sub-TT will also review the branding of the macroeconomic accounting manuals.

3.4. Recommendations that will be made by other ISWGNA/AEG TT, BOPCOM TTs and Joint TTs working on other areas (globalization, digitalization, well-being and sustainability) may imply some changes in the vocabulary to be used in the macroeconomic accounting manuals. The steering group of the Communications TT would be responsible for coordination between the work streams of the Communications TT and other ISWGNA/AEG TT, BOPCOM TTs and Joint TTs.

## **Main activities of the Joint sub-Task Team**

3.5. The Joint sub-Task Team is expected to evaluate the terminology and labelling used by the macroeconomic accounting manuals and assess if it is still relevant and consistent with the macroeconomic domain. The review should take into account the different audiences for and users of macroeconomic statistics. The work should include:

- i. A review of all terms.
- ii. A review of the labelling of accounts and tables.
- iii. A review of the overall branding, including the way the versions of the manuals are labelled and the way the system as a whole is referenced.

3.6. The review could include a survey to compilers/ users to know the terminology they are using and how they understand it (users).

## **Possible development**

3.7. Examples of the questions on the terminology and branding to be addressed by the Joint sub-Task Team are presented below.

### **i. Terminology**

- Primary Income, Secondary Income, Disposable Income – are these terms well understood? Would *Earned income* be a more appropriate term for primary income?
- The use of disposable income account – would an appropriate alias be *Saving and Investment Account*?
- Do users understand the technical concepts generally used in national accounts (see examples below)? Could user-friendly alternatives be suggested?
  - Financial Intermediation Services Indirectly Measured
  - Imputed Rental of owner-occupied dwellings
  - Property Incomes
  - Gross Fixed Capital Formation / Gross Capital Formation
  - Resources
  - Uses
  - Etc.

### **ii. Branding**

- How do users interpret the *2008 SNA* brand? Do users understand the meaning of the years in the 1968, 1993, and *2008 SNA* brand?
- Should the new next version of the SNA include reference to a year (i.e., 2025 SNA vs. SNA)?

- Do users understand what is national accounts compilation and can relate that to GDP compilation? Is there a better term as System of National Economic Accounts?
- Do users understand the coverage and scope of national accounts and the links with other statistical domains? Do users understand the linkages between the several standards for the compilation of macroeconomic statistics (e.g., BPM6, GFS2014, SESA)?

### **Governance and participation**

3.8. The Joint sub-Task Team is co-chaired by Sanjiv Mahajan (Office for National Statistics, United Kingdom) and (tbd). Secretariat is composed of Jim Tebrake and Margarida Martins (International Monetary Fund), and Eric Metreau and Bala Bhaskar Kalimili (World Bank). Herman Smith and Jonathan Gessendorfer (both United Nations Statistics Division) assure coordination with other TTs.

3.9. The co-chairs, with the support of the secretariat will recruit other members of the TTs, normally including other Committee of Experts like AEG, BOPCOM, and GFSAC members, experts from international organizations as well as other experts (e.g., from national statistical agencies, central banks, national or local governments, the research community, the media), according to the necessary expertise (e.g., Balance of Payments, Government Finance Statistics, Monetary and Financial Statistics, Environmental Economic Accounting, and Communication), representativeness (range of regions, country sizes, and stage of statistical development) and the need to coordinate with other domains.

3.10. The co-chairs and the members of the sub-TTs will work on a voluntary basis.

3.11. The working arrangements are expected to consist mainly of electronic communication through the circulation of documentation, web-based data and code hosting services like GitHub, and the collection of comments on specific topics. Face-to-face meetings of the Joint sub-Task Team could be organized if necessary.

### **Reporting**

3.12. The Joint sub-Task Team reports to the Joint Task Team on Communications.

### **Expected deliverables**

3.13. The proposals should take the form of a guidance note which will follow a common structure where the issue and objective are described, the background research is summarized, and a recommended option is presented (the recommended structure is included as an Annex).

3.14. Progress on the proposed changes and channels (including completed guidance notes, when available) will be reported in ISWGNA reports to the UN Statistical Commission (UNSC).

### **Timeline**

**August 2020:** Draft guidance note, for discussion within the Committee of Experts on national accounts, represented by the ISWGNA and AEG.

**October 2020:** Discussion of the guidance note by the Committee of Experts on national accounts, represented by the ISWGNA and AEG.

In the course of **2021:** Finalization of the guidance note.

### **Documentation**

13th Meeting of the Advisory Expert Group on National Accounts - Agenda item: 4.2 – “A framework for recording and communicating revisions” (Slides 1-7):

[https://unstats.un.org/unsd/nationalaccount/aeg/2019/M13\\_3\\_5%20Re-branding%20the%20SNA\\_Pres.pdf](https://unstats.un.org/unsd/nationalaccount/aeg/2019/M13_3_5%20Re-branding%20the%20SNA_Pres.pdf)