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Group of Experts on National Accounts

Nineteenth session

Geneva, 27-30 April 2020

Item 1 of the provisional agenda

Adoption of the agenda and election of officers

Annotated provisional agenda for the nineteenth session

To be held at the Palais des Nations, Geneva starting on 27 April 2020 at 9:30 in room VII.

I. Provisional agenda

1. Adoption of the agenda and election of officers

A. Special Session for Eastern Europe, Caucasus and Central Asia, South East Europe and other interested countries

2. Measuring the non-observed economy and the informal sector
3. Other experience with implementation of System of National Accounts 2008 (2008 SNA) and Balance of Payments and International Investment Position Manual, sixth edition (BPM6)

B. Joint Group of Experts on National Accounts

4. Globalization
5. Digitalization
6. Wellbeing and sustainability
7. Communicating the SNA Update
8. Future work and adoption of the report
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II. Annotations to the provisional agenda

Item 1. Adoption of the agenda and election of officers

1. The meeting is organized following a decision of the Conference of European Statisticians in June 2019 (ECE/CES/2019/15/Add.1) and the recommendation of the previous meeting of the Group of Experts on National Accounts in April 2019 (ECE/CES/GE.20/2019/2).

A. Special Session for Eastern Europe, Caucasus and Central Asia, South East Europe and other interested countries

Organisers: European Free Trade Association (EFTA), Eurostat, United Nations Statistics Division (UNSD) and UN ECE

Contributions by: Statistical Committee of the Republic of Armenia; National Statistical Committee of the Republic of Belarus; National Bank of Moldova; National Statistical Office of Mongolia; National Bank of Ukraine; International Monetary Fund (IMF); United Nations Conference for Trade and Development (UNCTAD)

2. This module is devoted to issues related to implementation and harmonization of the 2008 SNA and BPM6 in the countries of Eastern Europe, Caucasus and Central Asia (EECCA) and South East Europe (SEE). Following the recommendation of the previous special session it will pay particular attention to efforts to ensure exhaustive coverage of national accounts and balance of payments (BOP) and issues related to measuring the non-observed economy and the informal sector. The session will also provide countries of the region with a possibility to present recent achievements in implementation of 2008 SNA and BPM6.

Item 2. Measuring the non-observed economy and the informal sector

3. *Measuring and Recording of Non-observed Economy in the National Accounts and the Balance of Payments of the Republic of Belarus* provides an overview of the methodological basis of estimating the non-observable economy in Belarusian statistics and present the impact on the indicators of sectoral statistics. It will highlight the main directions of further work on improving the estimates of macroeconomic indicators. The presentation will also introduce the results of the cross-border commodity flows survey conducted as part of measuring e-commerce.

4. *Experience with the IMF Questionnaire on Informal Economy* reflects on the experience of National Bank of Moldova from participation in the exercise launched by the IMF Task Force on Informal Economy (TFIE). TFIE aimed to work on developing an appropriate strategy for addressing existing gaps in the coverage of informal, underground, and illegal activities aimed at promoting more comprehensive coverage of transactions and positions in the external sector statistics. The TFIE work was centred on identifying best practices in collection, compilation, and dissemination of data on these activities, building on the conceptual framework and estimation methods already defined by different international organizations. Moldova contributed with two country reports on remittances and currency and deposits of other sectors estimations.

5. Round-tripping operations in foreign direct investment (FDI) significantly distort the statistics of the indicator itself and may lead to incorrect analytical conclusions regarding the productivity measures despite the large flows of investment capital. *Assessment of Round-tripping Operations in FDI Flows: the Ukrainian Case* presents the analysis conducted by the National Bank of Ukraine and specific features of FDI flows at different time intervals.

6. The 2030 Agenda identifies *Illicit Financial Flows as a Threat to Countries' Ability to Achieve the Sustainable Development Goals*. UNCTAD and the United Nations Office for Drugs and Crime, as custodians of Sustainable Development Goals (SDG) indicator 16.4.1, total value of inward and outward illicit financial flows, established a Task Force to develop statistical

definitions and methodologies to measure the indicator. As illicit flows are intended to be hidden, measuring them is extremely difficult. Nor has there ever been an attempt to bundle the different types of illicit financial flows together: from illegal markets; theft-type activities and terrorism financing; corruption; and illicit tax and commercial practices. These flows have the potential to distort key economic statistics, and lack of reliable information on illicit financial flows is hampering policy action. The presentation by UNCTAD will share newly agreed definitions, recent methodological progress and plans to support national statistical authorities in the measurement of illicit financial flows in the future.

7. A leading cause of coverage gaps in the national and international accounts (BOP and international investment position) is the omission of activities outside the scope of national data collection and compilation systems. Such activities may be conducted in the informal sector, may exist underground, and/or may be illegal—with the boundaries among these activities usually overlapping. This poses challenges for compilers of the national and international accounts, and leads to issues of consistency and comparability of measurements across economies, and across macroeconomic datasets for an economy. The focus has generally been on domestic activities, but the IMF Committee on Balance of Payments Statistics (BOPCOM) established the TFIE in October 2017 to begin addressing data gaps in the international accounts. This presentation discusses the recently completed work of the TFIE as well as the outcomes of the seventh IMF Statistical Forum on *Measuring the Informal Economy*.

Item 3. Other experience with implementation of 2008 SNA and BPM6

8. *Main Impacts of the Implementation of the 2008 SNA by Statistical Committee of the Republic of Armenia* presents the results of the changeover from SNA 1993 to 2008 SNA/ESA 2010 in Armenian national accounts and the impacts of the main changes on gross domestic product (GDP). It will as well discuss outstanding issues with 2008 SNA, challenges in compiling of some GDP components, ensuring exhaustiveness and measuring of non-observed economy.

9. Consolidated Accounts on one hand, present a system of interrelated indicators that illustrates the entire economic life of the country, on the other hand, they show the relationship between domestic sectors and foreign sectors. *The Consolidated Accounts by National Statistical Office of Mongolia* discusses the methodology, data sources, some results and issues and problems encountered. The compilation of the accounts started in 2007. According to 2015-2018 data the non-financial sector contributes 53.9, the household sector 30.3, the public sector 10.1 and the financial sector 5.7 per cent of GDP. While the household sector dominated and accounted for 57.8 per cent of national income, the financial and non-financial corporations account for 25.7 per cent of the gross disposable income and 95.2 per cent of the total savings. At the end the paper discusses how to interpret national accounts and communicate them in accessible way to data users.

B. Joint Group of Experts on National Accounts

10. This module will be devoted to discussion of topics related to the research agenda of the 2008 SNA, thus providing the opportunity for presenting experience and views on the identified research issues. Links to the balance of payments research agenda will also be addressed.

11. *Consolidated SNA Research Agenda* by UNSD introduces the list of consolidated issues of the revision process for the 2008 SNA. In 2018, the ISWGNA established a Task Force on the SNA research agenda, taking into consideration current issues under discussion in the Advisory Expert Group (AEG) on national accounts and the research agendas of related macroeconomic statistical standards. Three subgroups of the Task Force have been created to work on the priority areas of the 2008 SNA research agenda: globalization, digitalization, and wellbeing and sustainability. A fourth subgroup will deal with issues related to communication of the SNA

update. Each subgroup will develop guidance notes with the aim to provide in-depth analysis and ways to resolve outstanding issues.

12. It is anticipated that the BPM will be revised at around the same time as the SNA. The BOPCOM has a large research agenda that will be exploring issues such as the treatment of multinational enterprises and the ownership of intellectual property products. Many of these issues overlap with the SNA research agenda. *BOP Research Agenda* by IMF outlines how the BOPCOM and AEG will collaborate throughout the update process to ensure the standards remain aligned and both the BOPCOM and AEG minimize and manage the associated workload.

Item 4. Globalization

Organisers: Central Statistical Office (CSO) of Ireland and IMF

Contributions by: Statistics Canada; Deutsche Bundesbank; CSO of Ireland; Bank of Italy; National Institute of Statistics, Geography and Informatics (INEGI) of Mexico; National Bank of Moldova; Statistics Netherlands; Statistical Office of the Republic of Serbia (SORS); National Bank of Serbia (NBS) and United States Bureau of Economic Analysis (US BEA).

13. The update of the 2008 SNA and the BPM6, a decade ago, was in large part driven by the impact of globalization. The update clarified core principles underlying the national accounts framework. Since the publication of the 2008 SNA and the BPM6, much guidance has been provided about globalization to assist national statistical compilers. Even when the 2008 SNA was published, it was recognized that some of the issues connected with globalization may lead to a reconsideration of how the phenomenon is reflected in the accounts.

14. CSO of Ireland and IMF will present *the Objectives and Progress of the Globalization Subgroup of the Task Force on the SNA Research Agenda*. Particular attention will be paid to the following priority issues: (i) economic ownership and recording of intellectual property products, (ii) treatment of multinational enterprises and special purpose entities, (iii) intra MNE flows, (iv) CIF¹/FOB² valuation of imports and exports, and (v) identifying economic presence and residency.

15. Multinational enterprises (MNEs) play a pivotal role in global trade and investment. Statistics Canada has undertaken work in recent years to enhance statistics on multinationals to better understand and assess their importance in the foreign and Canadian economies. This work culminated with the recent release, in November 2019, of a comprehensive Canadian MNEs program, including sub-national level data on activities of foreign and Canadian multinationals in Canada. Despite their relatively small number, multinationals play an important role in terms of sources of jobs, capital and new technologies in the country. The *Multinationals Program of Statistics Canada* describes the innovative approach used in the creation of this rich dataset as well as its various dimensions and some key results.

16. *Valuation of Imports and Exports* by Deutsche Bundesbank focuses on CIF-FOB valuation of imports/exports. In accordance with the international discussion at the BOPCOM in 2019, as well as by the Globalization Subgroup of the Task Force on the SNA Research Agenda, Germany did further research on practical aspects of the approach of true transaction values. The results from the analysis of a large data set for the year 2018 (about 45 million records), containing information on exports/imports, Incoterms, transaction values as well as statistical values will be presented.

17. *Sector Accounts and Foreign MNEs* by CSO of Ireland presents the sub-sectoring of financial and non-financial corporations into foreign and domestic in the annual sector accounts for Ireland. This is a micro based analysis that provides more comprehensive picture than

¹ Cost, insurance and freight (CIF)

² Free on board (FOB)

previous work done in the area and also includes cross cutting analysis with NACE³/ISIC⁴ sectors. As a means of understanding the impact of globalisation these institutional sector accounts give valuable insights into the structures and trends in the economic life of the country.

18. *Households' Investments in Foreign Mutual Funds Made Transparent* by Bank of Italy examines the share of foreign investment funds in the portfolio of Italian households. While negligible up to the mid-1990s, at the end of 2018 these funds amounted to 245 billion Euros, equal to 6 per cent of households' total financial wealth and to 54 per cent of total investment fund holdings. Compared with the other major euro-area economies, Italian households had a higher share of financial wealth invested in foreign funds. Through these foreign investment funds, households invest in the global financial markets, thereby increasing the degree of geographical diversification of their investments and, in principle, improving the risk-profile of their portfolios. Balance of payments statistics do not permit an analysis of the composition by instrument and by issuer country of the portfolio underlying the foreign investment funds held by Italian households. By using a combination of very granular data, this presentation provides for the first time a comprehensive description of the foreign funds held by Italian households, with a focus on the period 2008-2017. The main contribution is the information on the final destination of the savings invested by Italian households via foreign mutual funds, broken down by country, sector and type of instrument.

19. *The Export Value Added of Global Manufacturing* by INEGI analyses the part of the Mexican manufacturing industry immersed in the context of global manufacturing. This economic aggregate is made up of the gross value added and the value of intermediate consumption of national origin. Additionally, it is obtained as a difference between the value of imports and exports of the global manufacturing production. This research allows users and decision makers to have up to date information on the country's economic globalization process, its magnitude in economic activities and allows to develop more precise economic policies in relation to foreign trade.

20. *Recalculation of External Trade in Goods from FOB to Invoice Values* by National Bank of Moldova presents the experience from the participation in the IMF pilot exercise. The analysis is based on three sets of data that were compiled in geographical breakdown: i) in CIF trade value (by the last shipping country (country of consignment)), ii) FOB trade value (actual BOP data, also by the last shipping country (country of consignment)) and iii) invoice value (by country of transaction). The research concludes that only geographical distribution by country of transaction can ensure minimal asymmetries of global BOP data on external trade in goods, however, the data that was used have certain limitations which will be described in more detail in the presentation

21. *Recording the Impact of Multinationals on National Accounts* introduces the analysis of the impact of corporate inversions and trade in intangible assets on Dutch macroeconomic data, which Statistics Netherlands conducted on the request of the Ministry of Finance and the Ministry of Social Affairs and Employment. To do this, Statistics Netherlands analysed the microdata it has at its disposal and compiled estimates for the period 2010 to 2017. The conclusion from the investigation is that both phenomena have a significant impact on the Dutch macroeconomic data. However, from the perspective of the overall size of the Dutch economy the impact is fairly modest. Although such incidental studies are certainly helpful, consistent and accurate recording of the impact of large (foreign) corporations on macroeconomic statistics warrants a more structural approach, especially with regard to gross national income. Data from structural business statistics and the various balancing decisions made while compiling the supply and use tables may ultimately not be consistent with reinvested earnings paid to foreign owners as reported in the BOP and corporate surveys. Consistency can be improved by making explicit calculations for foreign owned corporations throughout the national accounts system and present

³ Statistical Classification of Economic Activities in the European Community (NACE - French acronym)

⁴ International Standard Industrial Classification of All Economic Activities

these as a separate subsector. This may be especially relevant for the non-financial corporations' sector. Hence Statistics Netherlands started a new project to see how this sub sectoring can be practically incorporated in national accounts. This presentation will elaborate on the results of the MNE study and plans and progress in the above-mentioned new project.

22. *The New Serbian CIF/FOB Adjustments Model* explains the new estimation procedure for CIF/FOB adjustment, developed by External Trade Statistics Division of Statistical Office of the Republic of Serbia in cooperation with National Bank of Serbia during the 2015 IPA Project. The presentation will include a description of the main steps of the new estimation procedure, the main conclusions as well as the follow-up adjustments to be made in the balance of payments statistics, compiled by the National Bank of Serbia.

23. Special purpose entities (SPEs), legal entities with little or no employment or physical presence, play an important role in the global financial system. Financial transactions and direct investment positions recorded in macroeconomic statistics often reflect the flow of funds between business enterprises resident in one country and affiliated SPEs resident elsewhere. These statistics tend to record large direct investment equity positions in countries that host relatively more SPEs, irrespective of whether the equity passes through those countries to be used for production in other countries. Using firm-level survey data, *Special Purpose Entities and Pass-through Equity: A Micro-Analysis* provides a summary of US BEA's efforts to (i) identify SPEs in U.S. international economic statistics, (ii) measure the value of pass-through equity in affiliates, and (iii) understand the relationship between SPEs and pass-through equity. Preliminary results show that SPEs play a much larger role in U.S. direct investment abroad than in foreign direct investment in the United States and that SPEs account for a large amount of pass-through activity.

Item 5. Digitalization

Organiser: US BEA and Eurostat

Contributions by: Statistics Canada; INEGI Mexico; Bank of Russia and Federal State Statistics Service (ROSSTAT) of the Russian Federation; US BEA, Eurostat, IMF and Organisation for Economic Cooperation and development (OECD).

24. The spreading of digital technologies in recent years is dramatically changing our way of life. This 'digital revolution' – new platforms such as AirBnB and Uber, new activities such as crowdsourcing, innovations in financial markets and new methods of payment such as crypto assets, social media, the use of big data for targeted advertisement, etc. – is not sufficiently reflected in the current national accounting standards, which makes macroeconomic analysis challenging.

25. The *Digitalization Subgroup of the Task Force on the SNA Research Agenda*, including experts from all over the world is working on these issues and will develop several guidance notes. Work is well advanced on a framework for a satellite account on the digital economy, although substantial empirical research is still needed to populate it. Work is quite advanced also on crypto assets, for which proposals for definitions, classifications and recording in the SNA already exist. Topics such as the economic role of data or the valuation of free assets and free services instead still need substantial conceptual development. Finally, substantial research is needed to understand the impact of new technologies on price levels and trends and identify suitable deflators for goods and services affected by digitalization.

26. *Framework for a Satellite Account on the Digital Economy* presents the contents of the guidance note developed on the basis of the work undertaken by the OECD Informal Advisory Group on Measuring GDP in a Digital Economy and feedback from the AEG and various constituencies. It outlines the conceptual framework for measuring digital activity in the form of digital supply-use tables. This framework creates an avenue for developing various digital indicators aligned with the 2008 SNA.

27. The last few years have seen a significant proliferation in the number and types of crypto assets. As guidance on how to record crypto assets in the SNA was largely absent, the IMF and the OECD started to explore their statistical measurement and developed first interim guidance, which was reflected in an updated version of BOPCOM. *The Recording of Crypto Assets in the System of National Accounts* by OECD provides an update of the earlier work, presenting an updated breakdown of crypto assets with accompanying definitions and discussing their recording in the system of national accounts. Furthermore, the note discusses in more detail how the creation of crypto assets without a corresponding liability should be accounted for in the accounts. Currently the proposals of the Subgroup on Digitalization with respect to crypto assets are circulated for AEG written consultation and an update on the outcomes will be presented to the Group of Experts on National Accounts.

28. *Treatment of Data as an Asset, "Free" Services, and "Free" Assets* by US BEA presents the progress of the Subgroup on Digitalization on two other priorities in the SNA research agenda: the recording of data in national accounts and valuation of "free" services and "free" assets. Considerations for data as an asset include its fit with the SNA asset boundary, similarities with IPPs, economic ownership, appropriate valuation methods, and depreciation profiles. Considerations for "free" services and "free" assets include the extent to which they should be included in core accounts versus satellite accounts, treatment of different types of "free" services and assets, appropriate valuation methods, and recognition of barter transactions. This presentation will provide a summary of existing materials and options considered by the Subgroup for each of the considerations. It will seek consultation from the Expert Group on National Accounts with the goal of providing recommendations in the future guidance note on the treatment of data as an asset, "free" services, and "free" assets.

29. *The Value of Data, Database and Data Science in Canada: Experimental Estimates* by statistics Canada provide an overview of the statistical framework used to develop an experimental set of estimates of the amounts invested in Canadian data, databases and data science in the recent years. Measurement of intangibles within the SNA has focused on traditional forms of intangibles, including investment in software, research and development, and mineral exploration and evaluation. However, as data take on a far more prominent role in Canada and, indeed, all over the world, data, databases and data science have become a staple of modern life. The increasing use of and investment in data is driving economic growth, changing the employment landscape and reshaping how and from where we buy and sell goods. Yet, data is not well measured in the existing statistical system. Given the 'lack of data on data', Statistics Canada has initiated new research to produce a first set of estimates of the value of data, databases and data science. The estimated value of the stock of data, databases and data science in 2018 was roughly equivalent to two third of the estimated value of established crude bitumen reserves in Canada.

30. *Gross Value Added of E-commerce in Mexico* describes the effort undertaken by INEGI to provide the users with information on the evolution of gross value added of e-commerce from year 2013 onwards, as a first approach to grasp the importance and relevance of the digital economy in the Mexican National Accounts System. As an innovative way to tackle this statistical challenge, the measurement of the gross value added of e-commerce was carried out under a supply approach, and is disaggregated into wholesale and retail trade, as well as other services provided via informatics networks.

31. Digitalization has impacted every aspect of society and the economy. One area of growing importance is the impact of digitization on culture, sport and recreation. PokerStars, Fantasy Sports Leagues, Vloggers, Youtubers, Gamers, Virtual Pet etc., pose a significant measurement challenge for national accountants. Similar to other areas of the economy impacted by digitalization, more and more of this activity is driven by households and can result in significant cross-border flows that are difficult to trace using traditional data sources available to national accountants. *Gaming, Gambling, Culture and Recreation in the Digital Age* by IMF outlines the challenges national accountants are facing when trying to measure digital gambling, gaming and

culture and recreation. The presentation then highlights the impact these changes are having on how we record these transactions in our national accounts and identifies some of the new data sources countries will need to develop in order to properly measure these activities.

32. *Measuring cross-border digital trade in the Russian BOP – recording digitalization* describes the experience of Bank of Russia in reflecting cross-border digital trade in the compilation of BOP aggregates. Digital trade, as one of the key factors of current global development, requires continuous updating of the information about the participants and specific producing units in this market, volume of supply and demand, payment transactions, investment, etc. In this regard, the importance of high quality, accessible, comparable and up-to-date data on digital trade grows significantly. Completion of this task is not possible without adopting common international recommendations and standards, including concepts and definitions, conceptual framework and recommended data sources. Tangible progress in this direction has been achieved in the past few years due to the efforts of a number of international organizations and individual countries. Bank of Russia took part in the preparation of the final version of the TFITS ⁵Handbook on Measuring Digital Trade. Bank of Russia has been collecting data and calculating aggregates on a quarterly basis since 2011. In this period the approach for compiling data has changed from using an estimation model to using direct reporting data thanks to availability of new data sources. Moreover, since 2015 the Russia has started developing statistics of cross-border digital trade in services and including it in total value of foreign trade in services. The presentation gives an overview of the main aspects of both approaches, analyzes their advantages and disadvantages, as well as the prospects for and directions of further improvement.

Item 6. Wellbeing and sustainability

Organiser: Statistics Canada and OECD

Contributions by: Statistics Canada; Central Statistical Bureau (CBS) of Israel; INEGI Mexico; Statistics Netherlands (tbc); Statistics Norway; Office for National Statistics (ONS) of the United Kingdom; Eurostat and OECD

33. One of the priority areas for research in the context of a future update of the 2008 SNA relates to the measurement of wellbeing and sustainability. It is considered of the utmost importance to develop metrics that cast a wider net on the well-being of people and the sustainability of societal developments. For this purpose, it is important to have more insight in issues such as the development of human capital, the relative importance of unpaid household activities, the impact of the environment on the economy, and the distribution of resources across households. The ultimate objective is to define a broader framework that supports the monitoring and analysis of the interrelations between various aspects of wellbeing and sustainability, thus providing a better understanding of the trade-offs and the win-wins between various domains. As a point on the horizon, one would like to see the development of an overarching framework, in which statistics on economic, societal and environmental issues are integrated (not necessarily monetised), and in which one can easily drill down into micro-datasets. It is clear that this can only be a long-term goal, requiring the development of a suitable conceptual framework.

34. As a goal for the nearer future, the *Subgroup on Wellbeing and Sustainability of the Task Force on the SNA Research Agenda* is developing a framework in which supplementary tables for the environment, health and social conditions, education and human capital, unpaid household activities, and the distribution of resources across households are combined with the traditional set of national (economic) accounts. For this purpose, it is developing guidance notes in all these various domains. The programme of work of the Subgroup and progress up to date will be introduced by Statistics Canada.

35. *Experiences with the Implementation of Satellite Accounts in Mexico* highlights the efforts of INEGI to launch satellite accounts in the fields of environment, unpaid work of households,

⁵ Inter-Agency Task Force on International Trade Statistics (TFITS)

health and social conditions, and distribution of household income, consumption and savings, which help to shed light on key aspects of welfare and sustainability. The participation of key stakeholders has been a fundamental factor for the elaboration of these accounts, from the conceptual development to promotion and dissemination.

36. *Overview of Work on Satellite Accounts in Norway* presents the satellite accounts compiled by Statistics Norway in the area of well-being and sustainability and their use. It will pay particular attention to education, health, non-profit institutions serving households and environment accounts, which cover various aspects of well-being and sustainability. Their use and links to national accounts will be described as well.

37. *Work in the Field of Unpaid Household Activities* by ONS UK updates the Expert Group on National Accounts on the state of play regarding work by the area group (as part of the SNA Subgroup on Well-being and sustainability) to draft proposals regarding unpaid household activities. The decision to exclude from the SNA production boundary services generated by households for their own final consumption as well as services provided through volunteer activities has provoked extensive discussions in the past. Recently the developments in digital technology have again led to increased interest for the role of unpaid household activities in the measured economy. Undoubtedly, extending the current production boundary with unpaid household activities would have massive implications on all national accounts aggregates and serious research and consideration are required. Whatever the results of such discussions, even without an extension of the production boundary, there is a clear need for developing a standardised framework, or supplementary tables, for the recording of the above services in physical and monetary terms.

38. There is a high demand to go beyond measuring the size or growth of the economy and to better inform on who is benefiting, i.e. how the benefits of economic activity are being distributed. Significant work has already been done in putting more focus on household (adjusted) disposable income, in addition to economic growth and on linking micro data on the distribution of household income, consumption, saving and wealth with the equivalent national accounts' aggregates, leading to consistent distributional measures within the framework of national accounts. *Distribution of Household Income, Consumption, Saving and Wealth* by the OECD updates the Expert Group on National Accounts on the state of play regarding the work of the area group developing guidance notes on the compilation of distributional accounts. The work largely builds on the investments done in this area by several international initiatives, as well as on the research and practical experience of a number of countries.

39. *The Israeli Satellite Account for Education and Training* by CBS of Israel presents the experience of compiling a pilot satellite account as part of the work of the UNECE Task Force on the development the: "Satellite Account for Education and Training: Compilation Guide". This presentation outlines the methodology and data sources used to compile the satellite account. It also presents the results obtained and their analysis. Particular attention is paid to the problems encountered in the work.

40. In addition, this agenda item will present relevant experience in compiling satellite accounts and supplementary tables that cover other aspects of the proposed broad framework such as health and social conditions and environmental economic accounting.

41. The discussion will seek feedback from the Group of Experts on National Accounts on the suggested supplementary tables (or aggregates) and draft recommendations for each domain as well as on the way ahead for realising the broader framework that will provide insight in the various aspects of well-being and sustainability.

Item 7. Communicating the SNA Update

Organiser: IMF

Contributions by: Statistics Canada; Federal Statistical Office of Germany (Destatis); INEGI Mexico and IMF

42. The terminology and presentation of the SNA has a significant impact on how the data are interpreted and used by governments, businesses and citizens. The SNA should be presented and communicated in such a way that the full extent of its analytical usefulness, its quality, its scope, comparability through time and across countries, and policy applications are maximized. The terminology and presentation of the system to be reviewed and where required updated to better reflect and align with the language of business, governments and citizens.

43. During its last meeting the AEG noted that the way the System of National Accounts is communicated and made accessible to data users could be improved and proposed the creation of a fourth subgroup of the Task Force on the SNA research agenda, which to develop proposals for a communication strategy for the SNA Update. *The SNA Research Agenda – Subgroup on Communication* by IMF outlines the terms reference of the sub-group as well as the groups workplan over the next few years.

44. To modernize the presentation of outputs from the macroeconomic statistics program, Statistics Canada has invested heavily in a range of new web-based, interactive data visualization tools and statistical hubs. These are becoming a new standard to effectively communicate the results of targeted, policy-relevant thematic satellite accounts (such as tourism, infrastructure or cannabis), along with core program outputs (such as gross domestic product, international trade, or whom to whom detail in the financial and wealth accounts). Intuitive, user-friendly features allow for interactive exploration of data holdings and facilitate access for non-specialist users. These new dissemination mechanisms have been broadly endorsed by the Canadian user community. *Interactive Visualization Tools for Canadian Macroeconomic Statistics* by Statistics Canada provides an overview of the advantages and challenges of moving in this direction. It will include a demonstration of notable examples for both satellite accounts and core program outputs.

45. INEGI Mexico has launched research in new emerging areas in national accounts, such the role of intellectual property; FINTECH companies; developing distributive measures of income, consumption and savings. *Research and Update on New SNA Issues* by INEGI takes stock of the progress accomplished, the problems faced, and presents the main results and the products that would be developed and published.

46. *Communication Means that the Others Would Understand* by Destatis reminds of the basics of communication and presents some cognitive patterns. Paul Watzlawick said, “One cannot not communicate”. Communication is about relationships. The way, in which we communicate national accounts, unveils what we think of regular and new users and how much we value them. Globalization does not only refer the economy but via the mass media it affects relationships with the stakeholders. In times of alternative facts and channels, statistics needs understanding, acceptance and broad support more than ever. Taking this specific view, the presentation attempts to identify some consequences for communication of national accounts. This approach enables having a broader view on standard communication products such as manuals, workshops, conferences, press releases, expert views, etc. We may also start looking for communication aspects not yet considered and think of new products that help people to better understand statistics in general and national accounts in particular.

Item 8. Future work and adoption of the report

47. In this session, the proposals for future work will be presented and discussed. The report containing main decisions of the meeting will be put for adoption.

Item 9. Other business

48. Participants wishing to propose points under this item are requested to inform the secretariat as soon as possible.
