



**STATISTICS**

# **Building Blocks: Flows, Stocks, Accounting Rules, Residence, Institutional Units, and Sectors**

**MARCH 6-7, 2024**

**IMF Statistics Department – United Nations  
Economic Commission for Europe  
SNA / BPM Joint Virtual Outreach Seminar**

# AGENDA



BPM7 Chapter  
3/2025 SNA  
Chapter 4.  
Flows, Stocks,  
and Accounting  
Rules



BPM7 Chapter  
4/2025 SNA  
Chapter 5.  
Residence,  
Institutional  
Units, and  
Sectors

# Chapter Structure and Valuation

This chapter will follow the *2008 SNA* chapter structure (*i.e.*, *Chapter 3: Accounting Principles*)

- **Valuation**
  - Concessional lending—never record a transfer element in the “central framework”
  - Except for concessional loans provided by employers to employees
- **Imports and exports of goods—no change to the current standard**
  - Observed transaction value conceptually preferred
  - To be introduced in the next version of the manuals (subject to further testing)
- **Stocks of debt securities at nominal value—supplement to the existing market valuation**





# Transactions and Time of Recording

- **Transactions**

- Partitioning of assets/transactions
  - Two examples (use of a car by households for production, travel packages and tours)

- **Time of recording of redistributive transactions**

- Not record fine/penalty transactions until the unit issuing the fine has an “unconditional claim to the funds”; and
- If a judgment or ruling is subject to further appeal, an unconditional claim exists “when the appeal is resolved”



# Economic Ownership

- **Economic ownership of (non-renewable) natural resources, biological resources, and renewable energy resources will be clarified**
- **Economic ownership of Intellectual Property Products (IPPs)**
  - Previously produced IPP depends on the underlying arrangement
  - Decision tree from the UNECE Guide to Measuring Global Production
  - Special purpose entities (SPEs)
- **Clarification on provisions—financial asset related, nonfinancial asset related, and unrelated to asset ownership**

# Chapter Structure and Sectoring

- This chapter follows the *2008 SNA* chapter structure (*i.e., Chapter 4: Institutional units and sectors*)
- Sectoring of fintech companies clarified
  - Classify them within the existing institutional sectors/subsectors—without introducing a new sector “Fintech”
  - Countries with significant fintech activities—may introduce an “of which” category



# 2025 SNA Sectoring

## Nonfinancial Corporations Sector

- Non-financial corporations (S11)
  - Domestically controlled (S11DO)
    - Public nonfinancial corporations (S11001)
      - *Of which:* Public nonfinancial corporations which are part of domestic multinationals (S110011)
    - National private nonfinancial corporations (S11002)
      - *Of which:* National private nonfinancial corporations which are part of domestic multinationals (S110021)
  - Foreign controlled (S11003)
    - *Of which:* SPEs

## Financial Corporations Sector

- Financial corporations (S12)
  - Domestically controlled (S12DO)
    - Public financial corporations (S12001)
      - *Of which:* Public financial corporations which are part of domestic multinationals (S120011)
    - National private financial corporations (S12002)
      - *Of which:* National private financial corporations which are part of domestic multinationals (S120021)
  - Foreign controlled (S12003)
    - *Of which:* SPEs

**Financial Corporations Sector**—updated breakdown

**Households Sector**—subsectoring according to levels of income and wealth; and other criteria

# BPM7 Sectoring

Central bank
Monetary authorities
Deposit-taking corporations
Of which SPEs
General government
<b>Other financial corporations</b>
<b>Money market funds (MMFs)</b>
<b>Non-MMF investment funds</b>
<b>Insurance corporations</b>
<b>Pension funds</b>
<b>Other financial intermediaries</b>
<b>Of which: Central clearing counterparties</b>
<b>Captive financial institutions and money lenders, and financial auxiliaries</b>
<b>Of which SPEs</b>
Nonfinancial corporations (NFCs)
Of which SPEs
Households (HHs) and non-profit institutions serving households (NPISHs)





# Special Purpose Entities (SPEs)

- The term SPEs should be used only for those entities with direct and indirect foreign control
- Special purpose units of general government—general government sector
  - Non-resident are treated as separate units—introduce enhanced imputations to better reflect the fiscal operations of government controlled SPEs
- Captive financial institutions wholly owned and controlled solely by resident parent entities—not considered SPEs
- Resident-controlled affiliates should be referred according to their typology (conduits, captives, etc.)—not classified as an SPEs

# Units and Control

- **Head offices (HO) and holding companies (HC)**
  - Guidance for determining whether a HO/HC is a separate institutional unit
  - Distinguishing HC from HO
- **Ownership and control of corporations**
  - Criteria for classifying the corporations controlled by non-resident—treatment consistent with BPM
  - For example, corporation B is said to be subsidiary of corporation A if corporation A holds more than 50 percent of voting power in corporation B

The background features a light blue and white color scheme with various financial data visualizations. There are several line graphs with circular markers, some showing an upward trend. A bar chart is visible in the lower right quadrant. Faint numerical values like '18.36', '20.94', and '37.93' are scattered across the background. The overall aesthetic is clean and professional, typical of a financial or economic report.

**THANK YOU FOR YOUR ATTENTION!**