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For discussion

A Proposal for Maintaining and Updating International Statistical Standards

A Proposal for Maintaining and Updating International Statistical Standards¹

SECTION I. SUMMARY OF RECOMMENDATIONS

1. The following summarizes the key recommendations found in the paper: *A Proposal for Maintaining and Updating International Macroeconomic and Environmental Statistical Standards (IMSS)*. The proposed update framework aims to:
 - a) Improve the relevance of International Macroeconomic Statistical Standards (IMSS) by ensuring they reflect current economic developments,
 - b) Improve the timing and sequencing of updates across the IMSSs to ensure consistency and comparability over time.
 - c) Improve the efficiency of the update process and the implementation of the updated standards.
2. **Recommendation 1.** The System of National Accounts, Balance of Payments and International Investment Position Manual, Government Finance Statistics Manual, Monetary and Financial Statistics Manual, System of Environmental and Economic Accounting and Consumer Price Index Manual, used by countries to produce macroeconomic and macroeconomic-environmental statistics shall be referred to as **International Macroeconomic Statistical Standards**.
3. **Recommendation 2.** An International Macroeconomic Statistical Standard shall be defined as "*a set of internationally agreed concepts, accounting rules, statistical methods, and presentational formats required to produce a standard sequence of interconnected macroeconomic accounts or standard set of macroeconomic tables.*"
4. **Recommendation 3.** Following the publication of the *BPM7* and *2025 SNA*, a task team is established to examine the content and structure of each of the International Macroeconomic Statistical Standards, identify content that falls within the above definition, and content that falls outside the definition, and develop a proposal to align the structure of the individual international macroeconomic statistical standards with the definition.
5. **Recommendation 4.** Moving forward, the International Statistical Community synchronizes the updating of the IMSSs, with updates targeted every five years. The update process work be facilitated by a coordinating committee and the adoption of a common update framework. The update framework includes the adoption of common terminology, an integrated IMSS research program, a consultation and consideration process, an implementation process, and an adoption process.

¹ Prepared by the Future International Macroeconomic Statistical Standards (IMSS) Update Task Team

Relevant Terms and Definitions Associated with the Framework.

6. **Discussion Note.** A document prepared to outline key issues, present research findings, and stimulate debate among stakeholders on a particular topic related to updating statistical standards.
7. **Notice of Decision.** An official communication issued by the governing bodies of the IMSSs that announces the decision regarding a set of proposed changes/updates to the standards.
8. **Adoption Date.** The relevant authority or organization adopts a new or revised standard.
9. **Implementation Period.** The timeframe between the date a decision is issued and the adoption date of the decision.
10. **Clarification.** A category of updates that provides additional details or explanations to resolve ambiguities or enhance understanding of existing standards/recommendations.
11. **Amendment/Update.** A category of updates that modifies or adds to existing standards to reflect new or amended concepts, accounting rules, statistical methods, or classifications.
12. **Research Program.** A structured set of current and future research projects to explore, analyze, and develop new concepts, accounting rules, statistical methods, or classes in international macroeconomic statistics.
13. **Research Project.** A specific, focused study or investigation conducted within the framework of a research program aimed at addressing questions or developing specific aspects of macroeconomic statistical standards.
14. **IMSS Coordination Meetings.** Formal meetings that guide joint IMSS research activities and projects.

SECTION II: A FRAMEWORK FOR MAINTAINING AND UPDATING INTERNATIONAL STATISTICAL STANDARDS

INTRODUCTION AND BACKGROUND

1. **The world of official economic and environmental statistics is changing.** The way statisticians produce, disseminate, and communicate official statistics is very different today from 15 years ago. Statisticians now have access to powerful technologies, advanced statistical techniques and significantly more source data enabling them to produce more timely and granular statistics. The expectations of users of official statistics are also changing. Conditioned by powerful search engines and generative AI—users expect instantaneous answers to a wide range of complex questions. They expect economic and environmental statisticians to match the response speed and agility they experience using private sector platforms. National statistical offices are also demanding more from the international statistical community. They expect the governing institutions of the international economic and environmental accounting systems and manuals to work together to ensure they are consistent, relevant, and flexible and updated as efficiently as possible.

2. **The first version of the *System of National Accounts* was published in 1947.** The first edition of the *Balance of Payments Manual* was published in 1948. Since then, the SNA and BPMs have been revised four and five times, respectively. In general, the updates of the BPM and SNA have occurred at the same time. The first edition of the *Government Finance Statistics Manual* was published in 1986 and was updated in 2001 and 2014. The first *Guide to Money and Banking Statistics* was published in 1984, and the first edition of the *Monetary and Financial Statistics Manual* was released in 2000, with an updated *Guide* published in 2008, which were later merged into one volume and updated in 2016. The *System of Environmental-Economic Accounts* was published in 2012. Table 1 provides a summary of the timing of the updates several economic and environmental accounting systems and manuals. While there has been engagement between the various editors and governing institutions/bodies when updating these manuals, an overarching framework for maintaining and updating these systems and manuals as a collective is lacking. The infrequent update process and lack of coordination across the manuals has resulted in a set of international statistical methodologies that are somewhat inconsistent and quickly lose relevance since they are unable to keep pace with economic developments. The potential lack of coherence poses problems for users and complicates priority-setting for national statistical systems. This paper aims to develop a framework for maintaining and updating the suite of international economic and economic-environmental accounting systems and manuals to ensure they capture current economic conditions and developments, and that this suite of manuals/systems are conceptually consistent through time rather than at points in time.

Table 1. Publication Dates of Editions of Select Macroeconomic and Environmental Standards

Year	SNA	BPM	GFS	MFS	SEEA	PPI	XMPI	CPI
1947	X							
1948		X						
1950		X						
1953	X							
1968	X							
1971		X						
1977		X						
1979						X		
1981							X	
1984				X				
1986			X					
1989								X
1993	X	X						
2000				X				
2001			X					
2004						X		X
2008				X				
2009	X	X					X	
2012					X			
2014			X					
2016				X				
2020								X
2025	X	X						
Total Updates	6	7	3	4	1	2	2	3
Average Years between updates	18	13	14	11	n/a	25	28	15.5

3. In 2020 the *BPM6* and 2008 *SNA* update processes were launched by the United National Statistical Commission (UNSC) and the Balance of Payments Committee (BOPCOM). Early in the update process, the BOPCOM and the ISWGNA/AEG decided to integrate the update processes. A common research agenda was established, and joint task teams comprised of BPM, SNA, and, in some instances, Government Finance Statistics (GFS), System of Environmental and Economic Accounting, and Monetary and Financial Statistics (MFS) experts were formed. This "integrated by design" approach will result in a consistent *BPM7* and 2025 *SNA*. It was also agreed to develop a common macroeconomic statistics glossary of concepts (terms) which will include over 1000 items. In addition, 2025 *SNA* and *BPM7* will have several joint chapters, including chapters on institutional units/sectors, digitalization, and globalization, and will have some common text in other chapters.

4. **For this exercise, the following international economic and environmental accounting frameworks and manuals are considered in scope:**

Table 2. International Economic and Environmental Accounting Systems and Manuals

Accounting System and Manual	Governing Organization(s)	Governing Committee
<i>System of National Accounts</i>	United Nations Statistical Commission	ISWGNA/AEG
<i>Balance of Payments Manual</i>	IMF Statistics Department.	BOPCOM/ Director, IMF Statistics Department
<i>Government Finance Statistics Manual</i>	IMF Statistics Department.	GFSAC/ Director, IMF Statistics Department
<i>Monetary and Financial Statistics Manual and Compilation Guide</i>	IMF Statistics Department.	Director, IMF Statistics Department
<i>System of Environmental and Economic Accounting</i>	United Nations Statistical Commission	UNCEEA
<i>Consumer Price Index Manual</i>	United Nations Statistical Commission	IWGPS

5. **This paper first proposes common terminology for describing the different systems and manuals.** The second section discusses what constitutes a “statistical manual, system or standard.” The third section proposes a framework for maintaining and updating “statistical manuals, systems/standards” and the coordinating mechanisms that would need to be established to operationalize the proposal. A clear statement of the issue (problem statement); and a quantitative size of the issue if known.

INTERNATIONAL STATISTICAL SYSTEMS / MANUALS / STANDARDS

6. **Over the last several years, the international official statistics community has referred to the suite of economic and environmental accounting systems and manuals (noted in Table 1) as the “international statistical standards.”**² The unofficial (soon to be official) adoption of the term international statistical standard is evidence that the community (i) perceives essential linkages among these systems and manuals, (ii) considers these systems and manuals authoritative, and (iii) that developing, maintaining, and updating these manuals is a global community effort. While welcome, the term has not been defined, nor is there consensus on its use. Before developing a framework to update the set of statistical systems and manuals noted above, it is important to first develop an agreed-upon term and definition for the set of “systems/manuals/standards” used by most countries to produce and publish official economic and economic-environmental statistics.

7. **There is general agreement that the systems and manuals listed in Table 2 are international, however the term “international” can be interpreted in two ways.** First, it can be construed as a product of the international community. A second, somewhat less common interpretation could be that this refers to “international statistics” or “statistics measuring the transactions between residents in one country and those in another.” To ensure the term is clearly understood, the term

² The updated SNA/BPM will use the term macroeconomic statistical standards.

international could be extended to internationally endorsed or internationally adopted. The term “internationally endorsed/adopted” conveys the idea that a responsible international body governs these products and that this body recognizes the product as internationally agreed upon. Internationally endorsed/adopted also ensures that the term will not be confused with international statistics. While the term internationally endorsed/adopted adds precision it does make for a cumbersome term and terms like endorsed/adopted are somewhat vague (and contentious for some) and therefore could raise more questions than provide answers. It is therefore proposed to include the idea of endorsement or adoption into the definition and simply use “international” in the term.

8. **There is also general agreement that the current suite of statistics systems and manuals provides a methodological framework for producing statistics related to various topics.** For example, the Government Finance Statistics Manual provides standards for compiling and presenting fiscal statistics that can be applied to the entire public sector. The Consumer Prices Index Manual outlines the concepts and methods used to produce a consumer price index. Given that the methodological frameworks relate to various statistical domains, it seems appropriate that the concept of a methodological or statistical framework be embedded in the term. The coverage of statistical domains across these frameworks is quite broad. The accounting systems and manuals in Table 1 relate to several statistical domains, such as Government Finance, International transactions, the economy, economic-environment linkages, the financial sector, monetary authorities, consumer prices, producer prices, and export and import prices. Since the term “economic” is a broad term encompassing the concepts of prices, government, financial sector, and monetary authorities, it is possible to summarize these topics as economic. Given these standards result in the production of aggregate statistics it follows to use the term macroeconomic to describe the statistical domain represented by these systems and manuals.

9. **While it is relatively straightforward to clarify the terms “international” and “statistics,” it is more difficult to qualify the terms “system,” “manual,” “framework,” or “standard.”** The terms “system” and “manual” convey different meanings than standard. Standard conveys the notion of requirement and adherence. Standards are adopted and expected to be followed. The term “system” conveys the message of completeness, interlinkage, and comprehensiveness but does not necessarily convey the message of a requirement. Similarly, the term “manual” conveys the notion of “how to” but not “must do.” While the System of National Accounts and Balance of Payments Manuals do not present themselves as standards (at least in name), they are loosely interpreted as such by both producers and users of these statistics. While an argument can be made that these are standards, it could also be argued that the primary purpose is a “system”—a system of interconnected and comprehensive accounts that tell a stock-flow-stock economic story. While the BPM and GFSM have not adopted the term “system,” they are structured as interconnected accounts where a balancing item in one account is the opening item in subsequent accounts. Since there is significant variability in adopting the SNA, BPM, SEEA, and GFS across countries, it may be better to refer to these as international systems than standards. Conversely, the primary message to stakeholders is that these are quasi-standards that every country should follow to ensure international comparability. Finally, if the term system and standard do not entirely capture the essence of these systems and manuals it may be better to use the term frameworks such that they are termed International macroeconomic statistical frameworks. In summary, there are

several terms that could be used to describe the suite of internationally endorsed macroeconomic statistical systems and manuals:

- a) International Statistical Standards
- b) International Statistical Systems
- c) International Statistical Frameworks
- d) International Macroeconomic Statistical Standards
- e) International Macroeconomic Statistical Frameworks
- f) International Macroeconomic Statistical Systems

10. **It will be important to select a term that “brands” well. Most people we associate quality with standard.** It is less likely that users would associate the word quality with Systems, Frameworks. Since a key feature of these manuals and systems is to produce the world’s highest quality macroeconomic data it seems the most impactful if the term standard is used, rather than system or framework. The term standard also aligns with the terminology adopted by the business accounting community. Given the above the most appropriate term is international macroeconomic statistical standards (IMSS),³ which will be used throughout the rest of this paper.

11. **Agreeing on a term is important, but the term also needs to be defined. Currently, the SNA defines itself as “the internationally agreed standard set of recommendations on how to compile measures of economic activity.** The SNA describes a coherent, consistent, and integrated set of macroeconomic accounts in the context of a set of internationally agreed concepts, definitions, classifications, and accounting rules.”⁴ The SNA's definition emphasizes the interconnectedness of the accounts, a standard set of recommendations on how to compile statistics, and agreed upon concepts, definitions, classifications, and accounting rules. Similar descriptions can be found in the BPM, GFS, and SEEA. These systems outline the concepts, accounting rules, and statistical methods that should be followed to report economic and environmental statistics to users. A statistics system could be defined as “a set of concepts, accounting rules, statistical methods, and reporting instructions required to produce a sequence of interconnected accounts or tables.” The difference between the System of National Accounts and the Consumer Price Index Manual lies in the structure of the recommended output. The Consumer Price Index Manual recommends that countries produce a Consumer Price Table (singular) that reflects the price movements for selected categories of consumer expenditures. There is no requirement to produce a “sequence of interconnected accounts or tables”. The definition of a statistical manual could be a reduced form of a statistical system in that a statistical manual reflects a “set of concepts, accounting rules, statistical methods and reporting instructions to produce statistical tables.” The above definitions could equally apply to the term “standard” with slight modifications. Given the existing definitions the recommended definition for International Macroeconomic Statistical Standard is “a set of internationally agreed concepts, accounting rules, statistical methods, and reporting instructions required to produce a

³ The authors are not proposing to change the name of the Balance of Payments Manual, System of National Accounts, or Government Finance Statistics Manual, they are simply noted the similarity between these systems/manuals to reinforce the idea that they can be consisted part of an international set of standards.

⁴ <https://unstats.un.org/unsd/nationalaccount/sna.asp>

standard sequence of interconnected macroeconomic accounts/ tables or standard set of macroeconomic tables."⁵

DEFINING INTERNATIONAL MACROECONOMIC STATISTICAL STANDARDS

12. **Before outlining how international statistical standards should be maintained and updated moving forward, it is good to pause and examine how these manuals and systems are currently structured to determine if any of the content of these standards falls outside of the definition.** As the economy has changed and evolved, the scope and size of the IMSSs have increased. This is logical since the nature of economic activity and the interaction between institutional units has become increasingly complex. The first version of the SNA, introduced as the *"measurement of national income and the construction of social accounts: report by the sub-committee on national income statistics"* had nine chapters. This first version of the SNA sought to (i) explain why an integrated set of accounts is needed, (ii) outline the structure of the accounts, (iii) define the accounting rules, (iv) discuss statistical matters and approaches to addressing measurement challenges, and (v) demonstrate the advantages of an integrated set of accounts (See Table 3. Structure of "Measurement of National Income and The Construction of Social Accounts").

13. **While it is inevitable that the IMSSs will "grow" with time, it is important to periodically evaluate the scope and structure of these standards and determine if there have been any unintended changes in their scope.** This is especially important if we hope to develop an update process that is more agile moving forward. Building from the definition above it follows that the content of a given IMSS should reflect *"a set of recommendations that outline internationally agreed concepts, accounting rules, statistical methods, and reporting guidelines required to produce a standard sequence of interconnected accounts/tables or standard set of tables."*

⁵ Interestingly, the concept of "standard" seems to align with the initial views of the United Nations Statistical Commission when it received the 1947 Report of the Sub-Committee on National Income Statistics. At its first session in 1947, the United Nations Statistical Commission (UNSC) "emphasized the need for international statistical standards for the compilation and updating of comparable statistics in support of a large array of policy needs."

Table 3. Structure – Measurement of National Income and The Construction of Social Accounts (“1947 SNA”)

Chapter	Purpose
I – Introduction	<i>“To explain the purpose of the memorandum and the point of view from which it has been written. Its principal object is to set out the content and explain the nature of those investigations which are usually comprehended under the title of national income studies.”</i>
II – The Social Accounts	<i>“Describes the content of the social accounts in a general way and will illustrate this description with a simple example.”</i>
III – A Working System of Social Accounts	<i>“A working system of social accounts will be set out in detail the reasons for adopting this system will be explained.”</i>
IV – The Content of the System of Accounts	<i>“A detailed discussion of the entries in this system of accounts will be given.”</i>
V – The National Income and Other Aggregates of Transactions	<i>“We shall return to the national income and other national totals and show by means of numerical examples how these totals can be extracted from the elementary transactions in the working system.”</i>
VI – Methods for extending the System in Detail	<i>“A means must be provided of ensuring consistency in the many points of detail that arise in practical work. An attempt is made to do this in Chapter VI.”</i>
VII – Some Economic Problems involved in defining and interpreting Accounting Systems	<i>“Problems of imputations will have to be faced squarely; problems of this kind will be discussed in Chapter VII”</i>
VIII – Statistical Sources and practical Problems of Measurements	<i>“Chapter VII deals with the statistical problems of measurement. It is assumed that not only are usable figures needed for the past, but that it is also necessary to compile current figures on, say, an annual or even a quarterly basis.”</i>
XI – The Advantages of a Social Accounting Approach.	<i>“Sets out some of the practical advantages of this method of approach.”</i>

14. The current and planned versions of the IMSSs may go beyond a set of recommendations.

Large sections of the IMSSs also include contextual information, implementation guidance, and applications of the statistics. While important and valuable, it has significantly increased the size and complexity of the IMSSs and their management. The idea that the content of the IMSSs goes beyond a set of recommended concepts, accounting rules, statistical methods, and recording instructions is not new. It has been part of the IMSS vocabulary for decades. The community often refers to the “core” SNA and “non-core” SNA—indicating that some parts of the SNA have a different status or are more authoritative than others. In the latest version of the SNA the “core” is referred to as the “sequence of economic accounts”. It would be helpful for future update processes to categorize the different parts of the IMSSs. This categorization should distinguish between the recommendations (i.e., the standard), the

contextual information, implementation guidance, and applications of the statistics. This categorization is important because the IMSSs are not the only publications produced and distributed by the official statistics' international community. The community also issues compilation guidance, handbooks, manuals (e.g., *Quarterly National Accounts Manual*), pamphlets, reporting templates, and guides. While these additional artifacts are all useful, it is essential that all of these "instructions" are consistent. This is becoming increasingly difficult, given the growing number of these artifacts.

15. To illustrate the challenge, consider the 2008 SNA Chapter 20: Elaborating the Accounts.

This chapter contains a section on Quarterly National Accounts, Regional Accounts, High Inflation, and Time-series aspects of national accounting. The Quarterly National Accounts section includes an (i) introduction, (ii) some guidance on time of recording, (iii) definitions involving a year or more, (iv) coverage, (v) quarterly institutional sector accounts, (vi) source data, (vii) price and volume measures, (viii) seasonal effects, and (ix) benchmarking. In total, there are 13 sections in the latest draft chapter. While important, much of this information is also contained in other SNA chapters or other international publications, including the *Quarterly National Accounts Manual* published by the IMF and Eurostat's *Handbook on Quarterly National Accounts*. Following the update of the SNA it will be important to ensure that all of this guidance is consistent. Further, many countries also produce national guides and manuals outlining their specific implementation of the standards. These will also need to be updated.

16. To ensure future update processes are manageable, following the release of the 2025 SNA and BPM7, it is recommended that the first project on the IMSS research program be a review of the content of the 2025 SNA, BPM7, GFSM014, MFSMCG 2016, SEEA-CF and their related artifacts (guides, compilation guidance, etc.), a classification of this content, an agreed upon taxonomy (e.g., standards, implementation guidance, applications, technical notes, tools, etc.), and a structuring of this content in a way that facilitates an agile and efficient update process moving forward.

A FRAMEWORK FOR MAINTAINING AND UPDATING THE INTERNATIONAL MACROECONOMIC STATISTICAL STANDARDS

17. While the IMSS update process has delivered robust statistical methodological standards over the last 70 years there has been a sense by both producers of macroeconomic statistics and users that these frameworks are a step behind the developments observed in the economy.

Additionally, users have often noted frustration that the update processes for the different IMSSs are not synchronized, resulting in inconsistencies in key macroeconomic statistics. This seems at cross-purposes with the main intention of the IMSSs which is to produce consistent and comparable cross-country macroeconomic statistics. The proposed update framework that follows aims to:

- a) Improve the relevance of IMSS by ensuring they reflect current economic developments.
- b) Improve the timing and sequencing of updates across the IMSSs to ensure they are consistent and comparable through time.
- c) Improve the efficiency of the update process and the efficiency and coordination of the implementation of the updates.

THE CURRENT FRAMEWORK

18. **For each of the IMSSs update processes (including the current process), the governing bodies of the individual standards established update specific governance arrangements and operational procedures.** Each update process can be seen as a large international project with significant project management infrastructure and involvement from international organizations and national statistical systems. While terminology differs from one update to another and across standards, there is significant commonality. Before the update process, the various communities developed a research agenda that included the issues to be addressed during the update process. Once a research agenda was finalized, the items were categorized into themes. Task Teams of experts were formed from national and international statistical organizations (statistical offices, central bank statistics departments, ministry of finance statistics departments and occasionally academia). The Task Teams discussed various research items and elaborated a proposal/recommendation for the global community to consider. Each manual had an approving body, an advisory committee of experts, and an international roster of macroeconomic and environmental statisticians who were consulted throughout the process. Once the update was completed the project infrastructure that was developed, was retired.

19. **For most of the seventy-plus years history of the IMSSs, interaction between the different statistical domains can be categorized as information sharing.** This has led to inconsistencies across standards through time, either due to different timing of the update processes or diverging recommendations. These inconsistencies place a burden on the users of these statistics. Recognizing this, over the last three decades, the community has moved towards greater integration of the standards and update processes. As a result, the *BPM6* and *2008 SNA* are highly comparable in terms of concepts, accounting rules, and statistical methods. The *GFSM* was updated following the *BPM6* and *2008 SNA*, and the current *GFSM* update process is well aligned with the *BPM7* and *2025 SNA* update process. *SEEA*, published in 2012, is highly consistent with the System of National Accounts. The current update of the *BPM* and *SNA* is a truly integrated process and a significant step forward in moving towards a fully harmonized and integrated set of IMSS.

20. **The most recent update process of the BPM and SNA introduced four novel advances in the update of the IMSSs.**

- a) First, the *BPM* and *SNA* developed and managed a joint research agenda. Items on the research agenda were categorized into those items that significantly impacted the *BPM*, those items that significantly impacted the *SNA*, and those items that significantly impacted both the *BPM* and *SNA*.
- b) For items significantly impacting the *BPM* and *SNA*, joint task teams were established, and both *BPM* and *SNA* statisticians deliberated on the issues. Second, a dispute resolution process was established to address issues where conclusions could not be reached.
- c) Third, joint meetings of the BOPCOM and AEG were held to improve efficiency and the exchange of ideas. This allowed the experts in the different communities to exchange ideas and points of view and contributed significantly to near consensus on update issues.
- d) Finally, the BOPCOM and AEG decided to harmonize terms, definitions, chapter titles, and, in some cases, entire chapters. This important step not only results in increased harmonization

across the standards but also translates into a more efficient implementation of these standards within national economies.

21. **The BPM and SNA update process also resulted in the adoption of a standard terminology that characterized the update process.** The term “task team” refers to individuals responsible for undertaking research and developing proposed changes to the SNA and BPM. The term “guidance note” refers to the document that proposed updates to the BPM and SNA. The term “issues note” was used to refer to the document used to arbitrate in cases where the international community could not agree on a concept, statistical method, or accounting rule or needed additional clarification. The term “global consultation”⁶ was used to refer to worldwide consultations open to producers and users on guidance notes and draft BPM and SNA chapters. Finally, the term “update” was used to describe the overall process. Given the above developments and the positive reception of increased coordination and harmonization from users and producers of statistics, it seems appropriate to use the recent experience of the update of the SNA and BPM as a starting point for a framework that can be used to guide future IMSSs update processes.

A PROPOSED FRAMEWORK FOR MAINTAINING AND UPDATING THE IMSSS.

22. **The framework described below covers process, timing, coordination, and common terminology.** The update framework proposed in this paper takes a program perspective rather than the current project perspective. The process includes five phases. The first component involves maintaining an inventory of IMSS research projects. This includes:

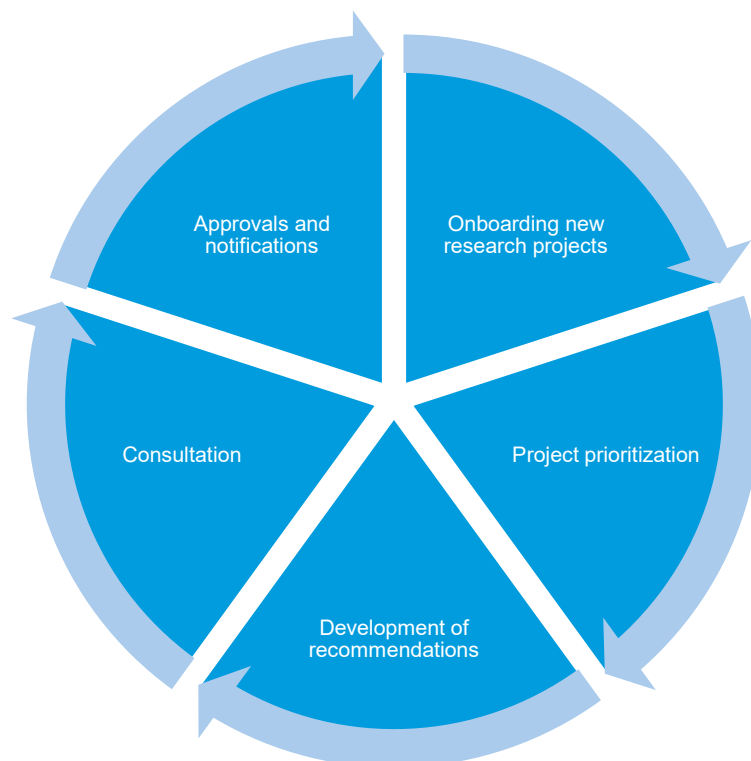
- a) Maintaining the inventory of projects;
- b) establishing priorities;
- c) conducting research on priority topics and developing recommendations;
- d) consulting stakeholders;
- e) deciding on updates to be applied to the IMSSs and notifying stakeholders about the decision.

23. **This should be seen as an annual cycle, where at the beginning of the year new research projects are onboarded into the program and prioritization is established.** The proposed process is depicted in Figure 1.

24. **The second component of the framework involves implementation and adoption.** It is expected that preparatory implementation can begin once decisions have been reached and the community has been notified. The new standards will be adopted once the community has been provided sufficient time to implement the standards.

⁶ Formerly known as “public consultation” in previous BPM reviews.

Figure 1. Proposed Process



MAINTAINING AND PRIORITIZING A RESEARCH PROGRAM

25. **Currently, each update process begins with a research agenda that reflects a list of issues that will be discussed and decided upon throughout the update process.** A list of outstanding issues is identified at the end of the update process. Since research agendas bookend the update process, it seems the logical place to start when designing a framework for maintaining and updating IMSSs moving forward. The research agenda at the end of the update process generally reflects those issues that could not be fully resolved during the update process or issues related to evolving economic and social matters that are still developing when the updated SNA and BPM are published. While a research agenda is established for each IMSS, work on addressing items on the research agenda between updates has been sporadic.^{7 8} The result is that each time an update to the standards is proposed, a backlog of issues must be addressed in a condensed period. An extensive project management infrastructure must be established, and funding must be identified. Since updates happen every 10 to 15 years, this project infrastructure must often be (re)developed. This is part of the reason why most update process takes 3–5 years to complete and countries another five years to implement the updates. The research agenda

⁷ SNA research “between updates” reflected in the SNA News and Notes. Between 2009 and 2020 (the start of the most recent update process), eight issues of the News and Notes were published. Four research items were addressed: recording emissions permits, treatment of the output of central banks, treatment of head offices, and the recording of flows between defined benefits plans and their sponsors.

⁸ BPM research result in the notes presented and approved at BOPCOM meetings ([IMF Committee on Balance of Payments Statistics - Statistical Papers](#)) as well as a series of clarification notes published on the BOPCOM website ([IMF Committee on Balance of Payments Statistics – Clarification notes](#)).

should be actively managed. This will enable moving from an infrequent discrete update approach to a more "continuous" or "cycle" approach. The research agenda should be evolved into an ongoing program, with each item on the agenda being seen as an individual project. The governing bodies of each of the standards would contribute the overall program. Each item in the program would take on a project structure with a defined start date, end date, and sufficient resources allocated to the project to complete the work within the expected timeframe. To reinforce the program/project concept, the term research agenda should be changed to research program, and the current use of the term research issues, or research items should be replaced with the term research projects.

26. While it will be necessary for each of the standards to have their individual research program, it is recommended that any projects that impacts 2 or more of the standards be included in an IMSS research program. In the SNA and BPM update process and the forthcoming GFS, SEEA, and MFSMCG update processes, there is recognition that some of the issues being discussed have implications for all the standards. It is recommended that in these cases, the projects are considered joint projects of the various governance bodies and be included in the IMSS research program. The notion of a combined research program occurred during the recent SNA and BPM update process. This approach substantially reduced the international effort required to address these issues since it resulted in a single guidance note being developed for each issue and facilitated joint discussions between the different governance bodies. Significant efficiency gains will be realized by establishing a single IMSS research program that catalogs each of the projects and links the project to one or more of the standards. In practical terms there will be five IMSS research programs—a common program that includes projects that have implications for two or more standards and an SNA, BPM, GFS, MFS, and SEEA specific programs where the projects only have implications for the individual standards.

27. An important component of the process involves managing research, developing recommendations, and notifying the community about decisions. The BPM and SNA update process used the term "guidance note" to refer to the output of this process. They were the tool used to develop a set of proposed updates to the BPM and SNA and represented the main output of the update process. In some ways, each guidance note reflected the output of an individual project undertaken by a team of international experts, which is consistent with the notion of a project-based research program. The main purpose of the guidance note was to facilitate a discussion across the macroeconomic statistical communities on a proposed set of recommendations. Decisions related to the recommendations were made by the governing bodies of the standards. The decisions were recorded in the minutes of the meetings of these governing bodies, but separate decision documents were not developed. The guidance note served as the primary input into the SNA/BPM editorial process. While the guidance notes served a useful purpose, the term "guidance" does not necessarily capture the intended purpose of the note (or the scope of the project). It seems appropriate to adopt the term "discussion note" or "IMSS consultation note" over guidance note since this is more reflective of the purpose of the note. It also seems useful that in addition to having decisions captured in the minutes of the meetings where the recommendations are approved, a succinct notice of decision be developed that captures the decision and that can be circulated back to the various stakeholders informing them about the decision.

28. The scope of the issues dealt with during the most recent SNA/BPM update process was wide-ranging. Some guidance notes **clarified** an existing accounting rule, concept, or statistical method (e.g., treatment of SPEs); others proposed an **amendment** to an existing accounting rule, statistical method, or concept (e.g., emissions permits), and still, others proposed an entirely **new** accounting rule, statistical method, or concept (e.g., data as an asset). At times errors are introduced into the statistical

standards and an errata corrigendum may be required. In most cases, the resources needed to address clarification issues were less than the resources needed to introduce an entirely new concept, accounting rule, or statistical method or an amendment to existing concepts, accounting rules or statistical methods. Classifying projects according to their scope seems beneficial as this will help prioritize the work and execute the research program. Tagging discussion notes with the terms "clarification/interpretation," "amendment/change" is helpful not only in that it conveys the scope/impact of the issue under discussion but also guides a potential implementation timeline. A clarification note is intended to remove ambiguity in the standards. This type of change could be implemented when ready. At the same time, amendments/updates to the existing standards tend to be far-reaching; therefore, the implementation timeline will need to be longer.

29. **In most cases, a clarification of the system/standard will not involve a significant revision to the historical time series.** In contrast, amendments and updates to the standard will likely involve revisions (often substantial) to the historical time series. This is another important reason for classifying the projects according to the scope. It provides a signal to producers about the resources needed to implement the change and a signal to users about the extent to which historical estimates may be revised. It would be helpful for both producers and users to indicate whether the adoption of the proposed recommendations will have a major impact on continuity/comparability or a minor impact on continuity/comparability. Many of the recommendations may be inter-dependent. In these cases, this should be noted in the discussion notes and their implementation and adoption will need to be coordinated as part of the overall management of the research program. A stylized version of how a research program can be presented is shown in Table 4.

Table 4. Stylized Version of a Research Agenda

Project/Scope	Clarification/Interpretation		Amendment/Change	
	Major impact on continuity	Minor impact on continuity	Major impact on continuity	Minor impact on continuity
Project 1				
Project 2				
Project 3				

30. **The research and development and approval of recommendation phase starts with the launch of a project and assignment of resources.** The first task of the project team is to develop a concise discussion note (according to a pre-defined format (structure and length)). If the discussion note cannot "fit" within the template it is an indication that the project should most likely be divided up into components. Following the development of the discussion note(s), it is issued for stakeholder consultation to receive feedback from the global community of experts. To facilitate the global consultation process, the drafting team develops an executive summary outlining the recommendations and their implications. The executive summary gets issued along with the discussion note. The executive summary with recommendations and implications is a concise (max 2 page) document that will be the primary review vehicle. It acts as a cover note to the discussion note. Reviewers should only need to consult the discussion note if they want to learn how the drafting team arrived at the recommendations.

31. **Following the global consultation, the discussion notes and recommendations are adjusted to reflect the comments received after the global consultation.** The updated discussion note, and executive summary are distributed to the governing bodies, who deliberate on the recommendations and decide on a course of action. The decision is recorded in a Notice of Decision and circulated to the community for information using the governing bodies existing communication vehicles

(e.g., SNA News and Notes). The Notice of Decision contains all the information required to update the IMSSs (i.e., the agreed upon recommendations flowing from the Discussion note). The Notice of Decision will include an adoption date. The difference between the adoption date and the date the decision is issued is referred to as the implementation period. The following table outlines the sequence of steps to move from the research phase to the decision phase.

	Task	Output	YYYY		YYY2		YYY3		YYY4	
			S1	S2	S1	S2	S1	S2	S1	S2
	Research and Development of Recommendations	Discussion Note								
	Global Consultation	Summary of consultation and implications								
	Tabling for Decision	Notice of Decision								
	Implementation Period.									
	Adoption Date									

32. **It is envisioned that at any point in time multiple projects would be active.** This is best illustrated using an example. Assume that decision notices were issued for the following projects between May 1, 2024, and April 30, 2025, and that these projects impact the System of National Accounts.

Decision Notices May 1, 2024–April 30, 2025

Project	Scope	Minor impact on continuity and comparability	Major impact on continuity and comparability	Dependency
Project 1	Clarification	X		2,4
Project 2	Clarification	X		1
Project 3	Clarification	X		
Project 4	Amendment		X	1
Project 5	Update		X	

33. **On April 30, 2025, all stakeholders will be notified that the System of National Accounts will be updated to adopt the outcomes of Projects 1, 2, and 3 (clarifications) in 2026.** In addition, all stakeholders will be provided advance notice that the System of National Accounts will be updated to adopt the outcomes of Projects 4 and 5 in 2030.

IMPLEMENTATION AND ADOPTION

34. **An important part of the process is to synchronize the adoption the new standards by as broad a set of countries as possible.** With past updates, the new standards were adopted and then implementation started. Some countries were able to update the standards quickly, while others had to take a more staged approach. This created comparability issues since as soon as a country implemented the standards its statistics were no longer comparable (in a strict sense) with the statistics from countries that did not yet adopt the standards. This proposal recommends that the adoption date of the new standard be set well in advance such that countries are provide ample time to update their statistical systems to allow them to implement the standards by the adoption date. Therefore, in the context of this

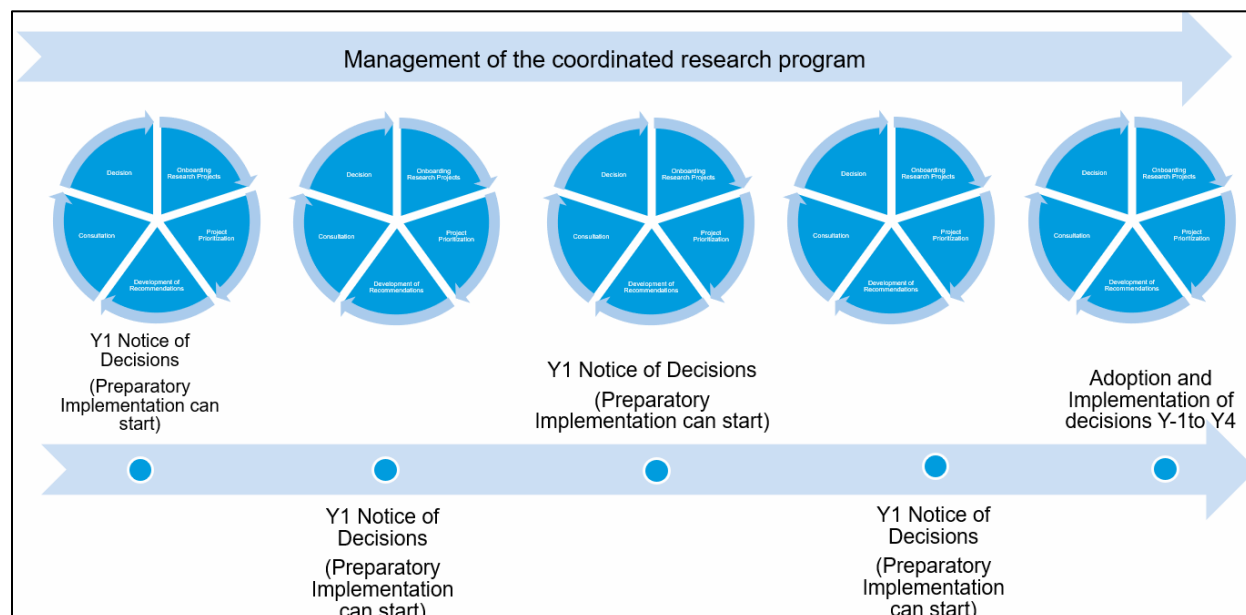
proposal, the difference between the adoption date and the date the decision is issued is referred to as the implementation period. It is expected that statistical producers can begin working on implementing the decision once the decision is announced with the aim of implementing the decision as close as possible to the adoption date. This recommendation can be illustrated using the current BPM and SNA update. Currently the statistical community is proposing to issue (adopt) the updated SNA and BPM in March 2025. Once issued, countries will be expected to implement these standards as expediently as possible. Applying the above, the governing bodies of the BPM and SNA announce that the adoption date of the new BPM and SNA is, for example, March 31, 2030. This would mean that everyone has five years to implement the recommendations of the new manuals.

35. **A detailed classification of updates, a more active management of the IMSS research program and announcing decisions, implementation periods and adoption dates when decisions are made would allow for a more frequent update process.** There are several ways to envision a more frequent update process. One way would be to bundle all decisions (regardless of type) and implement them at fixed periods (every three years, five years, ten years, etc.). Another approach would be to adopt a different implementation timeline for each type of notice. Clarification notices could be implemented when ready, amendment/updates could be implemented every five years (for example). A final option would be to implement changes that have a minor impact on continuity and international consistency when ready and implement changes that significantly impact continuity and international consistency at a set frequency.

36. **One drawback of the “immediate” implementation of changes (even a subset) is that it could result in the IMSSs being updated more than once a year.** While this may make sense for issues that create inconsistencies across countries (e.g., because of different interpretations of the standards or lack of standards in the event of new phenomena), this may in other cases be difficult for all stakeholders (users, system/standard setters, and producers) to manage. An important point stressed in previous discussions around the update process is that stakeholders prefer predictability and advance notice. One way to address both these needs (the desire to introduce updates on a more frequent basis while at the same time providing advance notice and predictability for stakeholders) it is proposed to have regular updates every five-years where each item included in the update process has at least a one-year implementation period. For example, if a decision is taken on an item on December 31, 2029, and the next update of the standard is scheduled for April 30, 2030, then this item would fall into the next update cycle rather than the current update cycle (i.e., it would have a five-year implementation period rather than a four month implementation period).

37. **The update process along with the outputs produced at each stage is summarized in Figure 2.**

Figure 2. IOSS Update Process



38. **Since consistency between the IMSSs is critical, each governing body must adopt this process to preserve consistency among IMSSs.** If not, the individual IMSSs could become out of sync, causing divergence in key aggregates, which significantly impacts the overall quality of the data and trust in the statistics. This does not mean that the IMSSs need to be fully consistent since in some cases there are good reasons to record transactions in one standard differently from another. What is hoped to be avoided are those cases where there is general agreement across the community about an update and that one community applies the update before the other—causing confusion for users. Consider the recent decision to include renewable energy assets in the National Accounts. When implemented in the national accounts, national wealth for some countries will increase significantly. The government sector will hold a large share of this wealth. From a national accounts' perspective, government wealth and net worth could be significant. The *GFSM 2014* does not recommend that governments record renewable energy assets on the government balance sheet. In some cases, this could result in a significant difference in general government wealth and net worth as measured in the National Accounts compared to general government wealth and net worth as measured in the Government Finance Statistics. This causes issues for both users and producers. Producers need to maintain and explain two sets of government balance sheets. Users need clarification as to which measure to use. In some sense, the trust that national statisticians work hard to build with users is diminished because comparability, a vital quality determinant, is reduced. From both a user's and producer's perspective, it is important to find a way to build a coordinated update process where updates to accounting rules, statistical methods, and concepts that cross standards are implemented concurrently. The IMSS governing bodies should synchronize the update of overlapping or cross-cutting issues. This synchronization is greatly facilitated through a single jointly managed research program for the ISSs.

COORDINATING MECHANISMS

39. **The process outlined above calls for a coordinated update of the IMSSs.** This coordination will not occur organically and requires structures to be implemented. There is no appetite to add layers of

governance to the existing IMSS governance. A better approach is to utilize existing mechanisms and initiatives to mainstream the required coordinating activities. It is recommended to organize an annual meeting between the chairs and secretariats of the individual governing bodies to coordinate the joint research program and agree on the timing of updates. This meeting could occur on the sidelines of the annual United Nations Statistical Commission meetings in February–March of each year. The meeting could be chaired by one of the chairs of the standard-setting governing institutions. The chairperson could be rotated on an annual or bi-annual basis. The terms of reference of each governing body could be updated to reflect this additional coordinating role and participation in this yearly meeting. The coordinating committee would also be required to meet throughout the year to ensure the agreed upon research program is being executed and to address any issues that may arise during the year.

40. **A key element of the process is a joint research program.** There will be a need to publish the research program along with the related projects, discussion notes, notices, and announcements and make these available to the public. This would be best managed through a common website that can be updated and maintained by the different standard-setting secretariats and accessible to the community of standard setters, users, and producers. In 2025, the IMF, UNSD, Eurostat, the OECD, and the World Bank will release an IMSSs Community Hub designed to share information across the community of users, producers, and standard setters of economic and environmental statistics. The IMSS Community Hub could be used to disseminate and manage the joint research program, discussion notes, decision notices, and announcements. Given that the standards will be updated regularly, each IMSS should appoint an editor(s) responsible for implementing the notices of decision into the standards when issued.

41. **In summary, it is recommended to:**

- a) Establish the International Macroeconomic Statistical Standards Coordination Meetings.
- b) The meetings would be chaired would be on a rotating basis. Since the IMF chairs the BPM, MFS, and GFS advisory committees the chair rotation would be ISWGNA, SEEA-CF, BPM+GFS+MFS (combined). If the IMF is the chair of the ISWGNA then they could not be the chair of the coordination committee.
- c) There would be an in-person meeting once per year at the sidelines of the UNSC. Virtual meetings would be held, if necessary, on a quarterly basis to discuss joint research program execution.
- d) The scope of the work would be management of the set of macroeconomic accounting research projects that impact two or more of the IMSS. Domain specific research items are dealt with by the individual governing bodies (adhering to the structure outlined above).
- e) A digital platform would be established to present and maintain the IMSS research program and manage the consultation process.
- f) The funding of this work would be in-kind contributes from the existing governing bodies of the IMSS.