Development of the Russian national accounts

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In Russia the SNA methodology was adopted in macroeconomic statistics within the period of 1990 – 1992. Previously another system of macroeconomic statistics based on the labour theory of value was used in the USSR.

The transition period practically lasted for nearly two decades. The major task was to compile a complete set of annual accounts by institutional sectors according to the SNA methodology.

At that time several deviations from the SNA standards continued to exist in the Russian national accounts.
The two events of 2013 created conditions for accelerated development of SNA in Russia:

**July 2, 2013**

**August 1, 2013**
The government of the Russian Federation considered the state of the national accounts at its session and outlined a set of tasks of their further development.

- In pursuance of the governmental decision a plan was worked out on the basis of OECD recommendations to improve national accounts of the Russian Federation.
- The “Plan on implementation of OECD recommendations on development of the system of national accounts of the Russian Federation” was discussed and reconciled with all interested government bodies and the Central Bank and adopted jointly by Rosstat, the Ministry of finance and the Ministry of economic development in October 2014.
The major goals of the Plan are:

- eliminate the existing methodological differences with the SNA international standard,
- complete introduction of the full sequence of accounts (i.e. accumulation accounts: financial account and the national balance sheet),
- upgrade statistical infrastructure,
- transfer to the methodology of SNA-2008,
- work out detailed input-output tables.

The Plan includes three main parts:

I. Development of the statistical infrastructure of national accounts:
   - statistical business register, statistical classifications, data sources used in compilation of sectoral national accounts;

II. Development of methodology of the Russian national accounts:
   - adjustment of production and assets boundaries, development of quarterly sector accounts, further development of institutional sector accounts, improvement of regional SNA indicators, formation of updated historical time series;
   - introduction SNA-2008 methodology;

III. Construction of input-output tables
The Plan on implementation of OECD recommendations on development of the system of national accounts of the Russian Federation

Development of the statistical infrastructure of national accounts

• Statistical business register is being transformed to unified centralised resource; local units are identified;
• Statistical classifications consistent with SNA-2008 are developed:
  – classification of institutional sectors,
  – classification of fixed capital,
  – classification of financial assets (under consideration);
• Statistical classification of economic activities (consistent with NACE Rev.2) and Statistical classification of Products by Activity (consistent with CPA 2.1) will be used since January 1, 2017.

II. Development of methodology of the Russian national accounts

• Since 2015 value of services of owner-occupied dwellings are assessed on the recommended methodological basis (“cost approach”, assessment of consumption of fixed capital is based on market prices);
• Rosstat started to compile SNA production account and generation of income account on quarterly basis by institutional sector since 2014;
• The financial account, national balance sheet, the other changes in the volume of assets account and the revaluation account are planned to be compiled on quarterly basis within the period of 2017-2020.
II. Development of methodology of the Russian national accounts

- In 2014 the following annual accounts by institutional sector were experimentally compiled by the Central Bank for 2012 data on the basis of SNA-2008 methodology:
  - the financial account;
  - the other changes in the volume of assets account (for financial assets);
  - the revaluation account (for financial assets);
  - the opening and closing balance sheets (for financial assets and liabilities)
- Since 2015 all these accounts are compiled and published on regular basis; balancing items are reconciled with non-financial accounts of SNA.

II. Development of methodology of the Russian national accounts

- Since 2015 Rosstat is getting prepared to the compilation of the balance sheet for non-financial assets:
  - the other changes in the volume of assets account and the revaluation account for the fixed capital are compiled and will be published in 2016,
  - work on valuation of natural assets is carried out in cooperation with the Ministry of natural resources and environment and is planned to be finished in 2017; work on evaluation of fossil energy and mineral resources is close to be completed.
II. Development of methodology of the Russian national accounts; introduction SNA-2008 methodology

- In December 2015 Rosstat began to publish (2014 data) SNA indicators calculated in accordance with the SNA-2008 methodology:
  - expenditures on military equipment, including large military weapons systems, are treated as fixed capital formation,
  - R&D is treated as capital formation in cases where the activity entails economic benefit for its owner,
  - concepts of BPM6 are introduced.

III. Construction of Input-Output tables

- Full set of input-output tables was compiled for the basic year 2011;
- Methodology of compilation the annual supply and use tables is worked out;
- Experimental annual SUT for 2012 at current prices has been compiled; by the end of 2016 SUTs for 2013-2014 will be compiled.
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Major problems of development of the Russian national accounts

- Harmonisation of administrative data (government, budget, extrabudgetary funds) with the needs of national accounts compilation;
- Delineation of general government sector and public sector;
- Access to the production data for establishments (local kind-of-activity units);
- Quality and completeness of data for the calculation of regional SNA indicators.

Thank you!