

## PROSPECTS FOR THE USE OF THE INTERNATIONAL STANDARD NATIONAL ACCOUNTING SYSTEM 2008 IN MACROECONOMIC

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### ARTICLE INFO.

**Keywords:**

Innovation processes, methodology, non-observable activity, non-financial assets, forecasting, System of National Accounts, financial assets.

### Annotation

The article deals with the modern version of the System of National Accounts 2008 (2008 SNA), which is an adapted version of the 1993 SNA (1993 SNA). At the same time, the practical implementation of the new interpretation of R&D in the SNA requires the solution of a set of methodological problems associated with the development of algorithms for the formation of a system of indicators that reflect the processes of functioning of the sphere of scientific research and development within the overall economic turnover. When developing them, it is necessary to ensure compliance with the basic requirements of the SNA methodology related to taking into account the peculiarities of evaluating various types of scientific activity. The specifics of constructing scientific activity indicators for specific sectors of the economy and groups of institutional units, and the recommended schemes for reflecting scientific activity indicators in the SNA.

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The current version of the System of National Accounts 2008 (2008 SNA) is an adaptation of the 1993 SNA (1993 SNA). The 2008 version of the SNA has been developed to bring the methodological basis of the SNA in line with the new requirements of potential users for the information base used in macroeconomic analysis and forecasting.

The need to adjust the SNA methodology was largely associated with significant changes in the content of economic processes that have been observed since the early 1990s and required corresponding changes in statistical methodology. In addition, the results of new research in the field of statistical methodology and methods for analyzing and forecasting macroeconomic, sectoral and regional processes have made it possible significantly improve the methods for measuring some of the most complex components of the System's accounts. In addition, an important factor in deciding to adjust the SNA methodology was the recognition of the need to ensure its comprehensive harmonization with the methodology of other basic statistical manuals – the manual on the balance of payments, government finance statistics, monetary and financial statistics, and others [1].

In accordance with the identified information needs of potential users, the new elements of the 2008 SNA contain an interpretation of the most important aspects of the development of a modern market economy. At the same time, the introduction of new elements into the SNA methodology carried out

taking into account the results of relevant studies and positive international practical experience, as well as taking into account the expediency of using international standards in the field of accounting and reporting in the formation of a number of indicators of the System [2]. The main innovations presented in the methodology of the System of National Accounts – 2008 relate to the following areas of development of the information base for macroeconomic analysis and forecasting:

- Analysis and forecasting of the processes of formation and use of economic assets;
- Analysis of the processes of functioning and development of the financial sector of the economy;
- Analysis of the processes associated with the inclusion of the national economy in the sphere of global economic relations;
- Analysis of the processes of functioning and development of the public administration sector and the public sector of the economy;
- Analysis of the informal sector of the economy.

As regards the analysis and forecasting of the processes of formation and use of economic assets, the new version of the System of National Accounts includes adjustments to asset accounts and changes to their definitions. In accordance with the new version, the previously used term “intangible non-produced assets” defined as “intellectual property products”, and additional clarifications have been made to its content to expand the interpretation of the relevant analytical indicators. In addition, such assets recommended considering as a hallmark of the “new economy”, which is associated with the establishment of property rights for knowledge and innovations [4].

Particular attention in the new version of the SNA paid to the interpretation of databases, originals and copies, as well as the interpretation of research and development costs as an element of accumulation, which led to the need to make significant adjustments to the calculation schemes and algorithms used in constructing the most important macroeconomic indicators. Taking into account the importance for the formation of adequate macroeconomic indicators, the new version of the SNA clarified the general definition of an asset. Which made it possible to formulate a more modern interpretation of non-produced non-financial assets, including tangible (natural resources) and intangible assets, identified in the new version as contracts, leases and licenses that be considered as assets under certain circumstances. The 2008 SNA introduced a revised classification of assets, which added a category defined as land improvement within the group of produced assets in the form of buildings and structures. At the same time, its characteristics also include the costs of transferring ownership of land. This term has replaced the term “significant improvements in non-produced non-financial assets” previously used in the 1993 System of National Accounts methodology.

The new version of the SNA also allows expanding the possibilities for analyzing and forecasting indicators characterizing the most important structural element of production assets in the form of machinery and equipment. In this aspect, first, it should be noted the features of the 2008 SNA methodology, in which the category “information, computer and telecommunications (ICT) equipment” is singled out in their composition.

The corrections of a number of concepts and terms related to the processes of formation and use of assets presented in the new version of the SNA are also important for identifying the analyzed macroeconomic processes and phenomena. The previously used concept of “intangible fixed assets” replaced by the concept of “intellectual property products”. Similarly, the term “mineral exploration” has been replaced by the term “mineral exploration and evaluation”, which is more in line with the coverage of this category by international accounting and reporting standards. The concept of “tangible non-produced assets” has been changed to the concept of “natural resources”, the content of which, taking into account new information needs, has also been adjusted in the form of adding other natural resources (for example, in the form of radio frequency bands). In the new version of the SNA,

the previously unified category of “intangible non-produced assets” is subdivided into elements – in the form of “contracts, leases and licenses” and “goodwill and marketing assets” [5]. Similarly, the 2008 SNA has adjusted the interpretation of other elements related to economic assets, in particular the expenditure on weapons systems, which meet the general definition of assets, reclassified to fixed capital formation in the new version of the System.

An important factor for the development of the information base for macroeconomic analysis and forecasting is the introduction of the analytical concept of capital services into the methodology of the SNA. Such innovations make it possible to significantly expand the scope of the analysis of macroeconomic processes and extend them to the study of economic growth processes and the dynamics of labor productivity, which meets the analytical needs of many groups of potential users of relevant information resources.

Of particular importance for the development of analytical developments are the innovations introduced in the 2008 SNA version in the field of finance, which reflects the real needs of users in the formation of an information base for macroeconomic analysis and forecasting. The relevant recommendations for the financial sector in the SNA updated to reflect the developmental features of one of the most dynamically developing segments in the economies of many countries of the world [1]. In this aspect, the modern version of the SNA provides a more comprehensive consideration of the types of financial services provided in the modern market economy. First, the new version of the SNA methodology to reflect new phenomena in the field of financial services, the development of financial markets and instruments presents a new structure of the financial corporations sector and its elements in the form of subsectors, which additionally include money market funds, non-monetary market investment funds, and others. Financial intermediaries, except for insurance corporations and pension funds, captive financial institutions and creditors. Changes have been made to the System’s methodology in the interpretation of derivative financial instruments, which significantly expands the possibilities for studying one of the most important and complex aspects of economic activity in a modern market economy.

In addition, the expansion of analytical opportunities for studying the financial services sector in the SNA methodology provided because of changes related to the expansion of the coverage of financial assets due to:

- ✓ Inclusion in their composition of contracts in relation to derivative financial instruments, regardless of the characteristics of their turnover (exchange, over-the-counter trading, etc.);
- ✓ Reflection in the form of financial transactions of flows associated with interest rate swaps and future interest rate agreements, which were previously interpreted as flows on interest payments;
- ✓ Introduction of some new functional classifications.

For the analysis and forecasting of processes related to the activities of individual participants in the financial services market, innovations related:

- to the measurement of insurance services other than life insurance, the principles of which have been clarified to provide more adequate estimates that reflect the consequences and effects of the impact of extraordinary events that are associated with significant volumes of insurance claims payments;
- developing recommendations on the interpretation of impaired loans;
- improving the methodology for calculating indirectly measured financial intermediation services (FISIM);
- development of recommendations in the field of reflecting pension rights, in accordance with which the existence of obligations of employers' pension programs is recognized, regardless of their

provision with appropriate financial resources;

- development of recommendations in relation to pensions provided by government bodies, in accordance with which it is possible to implement more flexible approaches to the formation of appropriate pension programs.

Of exceptional importance for the formation of an information base for macroeconomic analysis and forecasting are innovations in the 2008 SNA methodology related to the processes of globalization of the economy. In this part, first, it should be noted innovations related to:

- with clarification of the content of the interpretation of reserves and flows, which are a consequence of the development of the global economy;
- expanding the interpretation of remittances to cover flows associated with migration processes;
- application of the principle of change of ownership of goods, which led to changes in the reflection of trade in goods not entering the territory of countries, and goods sent for processing abroad or processed in resident territories and returned to their owners;
- clarification of the principles for accounting for the physical movement of goods from the standpoint of assessing the impact on economic indicators of processes associated with the processing of goods in various jurisdictions, which is generally consistent with real international financial transactions, characterized by significant and constantly increasing scales in the global economy.

Given the dynamically changing structure of production and financial activities in many countries, the 2008 SNA provides guidance on the principles for the treatment (recognition as institutional units, classification. And treatment of their operations) of so-called special purpose units – formally existing companies that are officially registered but not having assets and not carrying out economic operations that can be created by government bodies or corporations [4]. Although the 2008 SNA does not provide a general definition of such units, some of their characteristics are defined as having little physical presence in the economy, links with other corporate structures (mainly in the form of from the territories of parent companies, etc. In accordance with the methodology of the 2008 SNA, such units considered as institutional units and should be assigned to sectors and industries in accordance with their main activities.

Particular attention, given the relevance of improving the relevant aspect of analytical statistics in the 2008 SNA, paid to the general government sector and the public sector. Taking into account the development in the methodology of the SNA of the standards for accounts developed for the general government sector, appropriate explanations and adjustments made to a number of fundamental principles in its new version. In particular, the fundamental differences between the general government and the public sector from other main sectors of the resident economy reflected.

Taking into account the new tasks of analyzing and forecasting the processes associated with the functioning of public sector organizations, the new version of the SNA recommends separating non-profit organizations that were previously included in the corporations and government sectors. Their allocation into separate subsectors makes it possible to form, within the framework of the information base of analysis and forecasting, a number of additional tables containing information covering in a complex all types of activities carried out by such organizations.

The new version also formulates, clarifies and supplements such important interpretations for the modern market economy as: the concept of “additional dividends” paid by state corporations; injections into the capital of state-owned enterprises; public-private partnerships; restructuring agencies; transactions between governments and related public corporations using securitization mechanisms, which provides a more adequate reflection of items that have the most significant impact on estimates of public debt volumes; separate classes of loan guarantees; standardized guarantees,

including guarantees for export credits, guarantees for loans to certain categories of persons, etc.

A number of new elements of the SNA methodology also make it possible to expand and harmonize the information base for analysis and forecasting in a dynamic economic environment and institutional changes based on the use of the existing common conceptual framework of the System of National Accounts. These elements include, in particular: clarifications provided in relation to subsidiary units and holding companies; the introduction of employee stock options in line with the widespread use of this practice in many countries; methodological developments in the field of measuring activities carried out in households on an informal basis (within the informal sector of the economy); methodological developments in the field of measuring activities that are not covered by traditional statistical observation (non-observed economy).

In general, the methodology of the modern version of the SNA ensures further improvement of the information base for macroeconomic analysis and forecasting. The use of its principles makes it possible to improve the quality and ensure the complexity and detail of the indicators included in the information base of macroeconomic analysis and forecasting, and provides more opportunities for choosing the most effective analytical methods and models.

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