Contents

Foreword	iii
List of abbreviations and acronyms	xxix
CHAPTER 1	
General features and basic principles	1
General features	1
Globalisation	3
Uses of the ESA 2010	4
Framework for analysis and policy	
Characteristics of the ESA 2010 concepts	
Classification by sector	
Satellite accounts	
The ESA 2010 and the 2008 SNA	
The ESA 2010 and the ESA 95	
Basic principles of the ESA 2010 as a system	
Statistical units and their groupings	
Institutional units and sectors	
Local KAUs and industries	12
Resident and non-resident units; total economy and rest of the world	12
Flows and stocks	
Flows	13
Transactions	
Properties of transactions	
Interactions versus intra-unit transactions	
Monetary versus non-monetary transactions	
Transactions with and without counterparts Rearranged transactions	
Rerouting	
Partitioning	
Recognising the principal party to a transaction	
Borderline cases	15
Other changes in assets	15
Other changes in the volume of assets and liabilities	
Holding gains and losses	
Stocks	
The system of accounts and the aggregates	16
Rules of accounting	
Terminology for the two sides of the accounts	16

Double entry/quadruple entry	16
Valuation	16
Special valuations concerning products	
Valuation at constant prices	
Time of recording.	
Consolidation and netting Consolidation	
Netting	
Accounts, balancing items and aggregates	
The sequence of accounts	
The goods and services account	19
The rest of the world account	19
Balancing items	19
Aggregates	22
GDP: a key aggregate	
The input-output framework	23
Supply and use tables	23
Symmetric input-output tables	23
CHAPTER 2	
Units and groupings of units	25
The limits of the national economy	25
The institutional units	27
Head offices and holding companies	
Groups of corporations	
Special purpose entities	
Captive financial institutions	
Artificial subsidiaries	30
Special purpose units of general government	30
The institutional sectors	31
Non-financial corporations (S.11)	
Public non-financial corporations (S.11001)	
National private non-financial corporations (S.11002)	
Foreign controlled non-financial corporations (S.11003)	
Financial corporations (S.12)	35
Financial intermediaries	36
Financial auxiliaries	36
Financial corporations other than financial intermediaries and financial auxiliaries	37
Institutional units included in the financial corporations sector	37
Subsectors of financial corporations	37
Combining subsectors of financial corporations.	37

Subdividing subsectors of financial corporations into public, national private and foreign controlled financial corporations	38
Central bank (S.121)	
Deposit-taking corporations except the central bank (S.122)	
MMF (S.123)	
Non-MMF investment funds (S.124)	
Other financial intermediaries, except insurance corporations and pension funds (S.125)	
Financial vehicle corporations engaged in securitisation transactions (FVC)	
financial corporations	
Financial auxiliaries (S.126)	41
Captive financial institutions and money lenders (S.127)	42
Insurance corporations (S.128)	42
Pension funds (S.129)	43
General government (S.13)	44
Central government (excluding social security funds) (S.1311)	44
State government (excluding social security funds) (S.1312)	44
Local government (excluding social security funds) (S.1313)	45
Social security funds (S.1314)	45
Households (S.14)	45
Employers and own-account workers (S.141 and S.142)	46
Employees (S.143)	46
Recipients of property income (S.1441)	46
Recipients of pensions (S.1442)	46
Recipients of other transfers (S.1443)	46
Non-profit institutions serving households (S.15)	46
Rest of the world (S.2)	47
Sector classification of producer units for main standard legal forms of ownership	47
Local kind-of-activity units and industries	49
The local kind-of-activity unit	49
Industries	
Classification of industries	
Units of homogeneous production and homogeneous branches	
The unit of homogeneous production	
The homogeneous branch	
The northogeneous diditeri	
CHAPTER 3	
Transactions in products and non-produced assets	
Transactions in products in general	53
Production and output	54
Principal, secondary and ancillary activities	55

Output (P.1)	55
Institutional units: distinction between market, for own final use and non-market	57
Time of recording and valuation of output	60
Products of agriculture, forestry and fishing (Section A)	61
Manufactured products (Section C); construction work (Section F)	62
Wholesale and retail trade services; repair services of motor vehicles and motorcycles (Section G)	62
Transportation and storage (Section H)	62
Accommodation and food services (Section I)	63
Financial and insurance services (Section K): output of the central bank	63
Financial and insurance services (Section K): financial services in general	
Financial services provided for direct payment	
Financial services paid for through loading interest charges Financial services consisting of acquiring and disposing of financial assets and liabilities in	64
financial markets	64
Financial services provided in insurance and pension schemes, where activity is financed by	
loading insurance contributions and from the income return on savings	64
Real estate services (Section L)	66
Professional, scientific and technical services (Section M); Administrative and support services (Section N)	67
Public administration and defence services, compulsory social security services (Section O)	68
Education services (Section P); human health and social work services (Section Q)	68
Arts, entertainment and recreation services (Section R); other services (Section S)	68
Private households as employers (Section T)	68
Intermediate consumption (P.2)	68
Time of recording and valuation of intermediate consumption	69
Final consumption (P.3, P.4)	69
Final consumption expenditure (P.3)	70
Actual final consumption (P.4)	71
Time of recording and valuation of final consumption expenditure	73
Time of recording and valuation of actual final consumption	73
Gross capital formation (P.5)	73
Gross fixed capital formation (P.51g)	73
Time of recording and valuation of gross fixed capital formation	75
Consumption of fixed capital (P.51c)	76
Changes in inventories (P.52)	77
Time of recording and valuation of changes in inventories	77
Acquisitions less disposals of valuables (P.53)	78
Exports and imports of goods and services (P.6 and P.7)	79
Exports and imports of goods (P.61 and P.71)	80
Exports and imports of services (P.62 and P.72)	81
Transactions in existing goods	84
Acquisitions less disposals of non-produced assets (NP)	85

Distributive transactions	87
Compensation of employees (D.1)	87
Wages and salaries (D.11)	
Wages and salaries in cash	87
Wages and salaries in kind	88
Employers' social contributions (D.12)	89
Employers' actual social contributions (D.121)	89
Employers' imputed social contributions (D.122)	90
Taxes on production and imports (D.2)	92
Taxes on products (D.21)	
Value added type taxes (VAT) (D.211)	92
Taxes and duties on imports excluding VAT (D.212)	92
Taxes on products, except VAT and import taxes (D.214)	93
Other taxes on production (D.29)	93
Taxes on production and imports paid to the institutions of the European Union	94
Taxes on production and imports: time of recording and amounts to be recorded	94
Subsidies (D.3)	95
Subsidies on products (D.31)	95
Import subsidies (D.311)	96
Other subsidies on products (D.319)	96
Other subsidies on production (D.39)	96
Property income (D.4)	98
Interest (D.41)	
Interest on deposits and loans	
Interest on debt securities	99
Interest on bills and similar short-term instruments	
Interest on bonds and debentures	
Interest rate swaps and forward rate agreements	
Interest on financial leases	
Other interest	
Time of recording	
Distributed income of corporations (D.42)	
Dividends (D.421)	
Withdrawals from the income of quasi-corporations (D.422)	
Reinvested earnings on foreign direct investment (D.43)	
Other investment income (D.44)	
Investment income attributable to insurance policy holders (D.441)	
Investment income payable on pension entitlements (D.442)	
Investment income attributable to collective investment fund shareholders (D.443)	104

Kent (U.45)	104
Rent on land	104
Rents on subsoil assets	105
Current taxes on income, wealth, etc. (D.5)	105
Taxes on income (D.51)	105
Other current taxes (D.59)	105
Social contributions and benefits (D.6)	107
Net social contributions (D.61)	109
Employers' actual social contributions (D.611)	109
Employers' imputed social contributions (D.612)	110
Households' actual social contributions (D.613)	110
Households' social contribution supplements (D.614)	111
Social benefits other than social transfers in kind (D.62)	111
Social security benefits in cash (D.621)	111
Other social insurance benefits (D.622)	111
Social assistance benefits in cash (D.623)	112
Social transfers in kind (D.63)	112
Social transfers in kind — general government and NPISHs non-market production (D.631))112
Social transfers in kind $-$ market production purchased by general government and NPISF	Is (D.632) 113
Other current transfers (D.7)	113
Net non-life insurance premiums (D.71)	113
Non-life insurance claims (D.72)	114
Current transfers within general government (D.73)	115
Current international cooperation (D.74)	115
Miscellaneous current transfers (D.75)	116
Current transfers to NPISHs (D.751)	116
Current transfers between households (D.752)	116
Other miscellaneous current transfers (D.759)	
Fines and penalties	
Lotteries and gambling Payments of compensation	
VAT- and GNI-based EU own resources (D.76)	
Adjustment for the change in pension entitlements (D.8)	
Capital transfers (D.9)	
Capital transfers (D.9).	
Investment grants (D.92)	
Other capital transfers (D.99)	
Employee stock options (ESOs)	122
LITERIOR C. SUCCE CENTRAL IL COST	1//

Financial transactions	125
General features of financial transactions	125
Financial assets, financial claims, and liabilities	125
Contingent assets and contingent liabilities	125
Categories of financial assets and liabilities	126
Balance sheets, financial account, and other flows	127
Valuation	127
Net and gross recording	128
Consolidation	128
Netting	128
Accounting rules for financial transactions	129
A financial transaction with a current or a capital transfer as counterpart	129
A financial transaction with property income as counterpart	130
Time of recording	130
A from-whom-to-whom financial account	131
Classification of financial transactions by categories in detaildetail	132
Monetary gold and special drawing rights (F.1)	
Monetary gold (F.11)	132
SDRs (F.12)	134
Currency and deposits (F.2)	134
Currency (F.21)	134
Deposits (F.22 and F.29)	135
Transferable deposits (F.22)	135
Other deposits (F.29)	135
Debt securities (F.3)	136
Main features of debt securities	136
Classification by original maturity and currency	137
Classification by type of interest rate	137
Fixed interest rate debt securities	137
Variable interest rate debt securities	137
Mixed interest rate debt securities	138
Private placements	138
Securitisation	138
Covered bonds	139
Loans (F.4)	139
Main features of loans	139
Classification of loans by original maturity, currency, and purpose of lending	139
Distinction between transactions in loans and transactions in deposits	139
Distinction between transactions in loans and transactions in debt securities	140

Distinction between transactions in loans, trade credit and trade bills	140
Securities lending and repurchase agreements	140
Financial leases	141
Other types of loans	141
Financial assets excluded from the category of loans	142
Equity and investment fund shares or units (F.5)	142
Equity (F.51)	142
Depository receipts	142
Listed shares (F.511)	142
Unlisted shares (F.512)	
Initial public offering, listing, de-listing, and share buy back	
Financial assets excluded from equity securities.	
Other equity (F.519)	
• •	
Investment fund shares or units (F.52) MMF shares or units (F.521)	
Non-MMF investment fund shares/units (F.522)	
Valuation of transactions in investment fund shares or units	
Insurance, pension and standardised guarantee schemes (F.6)	145
Non-life insurance technical reserves (F.61)	
Life insurance and annuity entitlements (F.62)	146
Pension entitlements (F.63)	
Contingent pension entitlements	
Claims of pension funds on pension managers (F.64)	146
Entitlements to non-pension benefits (F.65)	
Provisions for calls under standardised guarantees (F.66)	147
Standardised guarantees and one-off guarantees	
Financial derivatives and employee stock options (F.7)	148
Financial derivatives (F.71)	148
Options	148
Forwards	149
Options vis-à-vis forwards	149
Swaps	149
Forward rate agreements (FRAs)	150
Credit derivatives	
Credit default swaps	150
Financial instruments not included in financial derivatives	
Employee stock options (F.72)	
Valuation of transactions in financial derivatives and employee stock options	
Other accounts receivable/payable (F.8)	
Trade credits and advances (F.81)	
Other accounts receivable/payable, excluding trade credits and advances (F.89)	
O the accounts receivable payable, excluding that creats and advances (1.07)	I J

Annex 5.1	154
Classification of financial transactions	154
Classification of financial transactions by category	154
Classification of financial transactions by negotiability	155
Structured securities	155
Classification of financial transactions by type of income	155
Classification of financial transactions by type of interest rate	156
Classification of financial transactions by maturity	156
Short-term and long-term maturity	156
Original maturity and remaining maturity	157
Classification of financial transactions by currency	157
Measures of money	157
CHAPTER 6	
Other flows	159
Introduction	159
Other changes in assets and liabilities	159
Other changes in the volume of assets and liabilities (K.1 to K.6)	159
Economic appearance of assets (K.1)	159
Economic disappearance of non-produced assets (K.2)	160
Catastrophic losses (K.3)	160
Uncompensated seizures (K.4)	161
Other changes in volume not elsewhere classified (K.5)	161
Changes in classification (K.6)	
Changes in sector classification and institutional unit structure (K.61)	
Changes in classification of assets and liabilities (K.62)	
Neutral holding gains and losses (K.71)	
Real holding gains and losses (K.72) Holding gains and losses by types of financial asset and liability	
Monetary gold and SDRs (AF.1)	
Currency and deposits (AF.2)	
Debt securities (AF.3)	
Loans (AF.4)	
Equity and investment fund shares (AF.5)	
Insurance, pension and standardised guarantee schemes (AF.6)	
Financial derivatives and employee stock options (AF.7)	
Other accounts receivable/payable (AF.8)	
Assets denominated in foreign currency	
Tiboto dell'ominica in foreign currency	107

lance sheets	169
Types of assets and liabilities	170
Definition of an asset	170
Exclusions from the asset and liability boundary	170
Categories of assets and liabilities	170
Produced non-financial assets (AN.1)	171
Non-produced non-financial assets (AN.2)	171
Financial assets and liabilities (AF)	171
Valuation of entries in the balance sheets	174
General valuation principles	174
Non-financial assets (AN)	175
Produced non-financial assets (AN.1)	
Fixed assets (AN.11)	175
Intellectual property products (AN.117)	
Costs of ownership transfer on non-produced assets (AN.116)	
Inventories (AN.12)	
Valuables (AN.13)	
Non-produced non-financial assets (AN.2)	
Natural resources (AN.21) Land (AN.211)	
Mineral and energy reserves (AN.212)	
Other natural assets (AN.213, AN.214 and AN.215)	176
Contracts, leases and licences (AN.22)	177
Purchases less sales of goodwill and marketing assets (AN.23)	177
Financial assets and liabilities (AF)	177
Monetary gold and SDRs (AF.1)	177
Currency and deposits (AF.2)	177
Debt securities (AF.3)	177
Loans (AF.4)	178
Equity and investment fund shares/units (AF.5)	178
Insurance, pension and standardised guarantee schemes (AF.6)(AF.6)	179
Financial derivatives and employee stock options (AF.7)	179
Other accounts receivable/payable (AF.8)	179
Financial balance sheets	179
Memorandum items	180
Consumer durables (AN.m)	180
Foreign direct investment (AF.m1)	180
Non-performing loans (AF.m2)	180
Recording of non-performing loans	181

Annex 7.1	182
Summary of each asset category	182
Annex 7.2	189
A map of entries from opening balance sheet to closing balance sheet	
CHAPTER 8	
The sequence of accounts	193
Introduction	193
The sequence of accounts	
Sequence of accounts	
Current accounts	
Production account (I)	
Distribution and use of income accounts (II)	
Primary distribution of income accounts (II.1)	
Generation of income account (II.1.1)	
Allocation of primary income account (II.1.2)	
Entrepreneurial income account (II.1.2.1)	209
Allocation of other primary income account (II.1.2.2)	
Secondary distribution of income account (II.2)	
Redistribution of income in kind account (II.3)	
Use of income account (II.4)	
Use of disposable income account (II.4.1)	
, · · · ·	
Accumulation accounts (III)	
Capital account (III.1)	
Change in net worth due to saving and capital transfers account (III.1.1)	
Acquisitions of non-financial assets account (III.1.2)	
Financial account (III.2)	
Other changes in assets account (III.3)	
Other changes in volume of assets account (III.3.1)	
Revaluation account (III.3.2) Neutral holding gains and losses account (III.3.2.1)	
Real holding gains and losses account (III.3.2.2)	
Balance sheets (IV)	
Opening balance sheet (IV.1)	
Changes in balance sheet (IV.2)	
Closing balance sheet (IV.3)	
Rest of the world accounts (V)	
Current accounts	
External account of goods and services (V.I)	251
External account of primary incomes and current transfers (V.II)	251
External accumulation accounts (V.III)	251

Financial account (VIII.3) 252	Capital account (V.III.1)	
Balance sheets (V.IV)	· · · · · · · · · · · · · · · · · · ·	
Goods and services account (0) 262 Integrated economic accounts 263 Aggregates 273 Gross domestic product at market prices (GDP) 273 Operating surplus of the total economy 273 Mised income of the total economy 273 Mised income of the total economy 273 Entrepreneurial income of the total economy 273 National income (at market prices) 273 National disposable income 273 Saving 273 Current external bolance 274 Net lending (+) or borrowing (-) of the total economy 274 Net worth of the total economy 274 General government expenditure and revenue 274 CHAPTER 9 Supply and use tables and the input-output framework 275 Introduction 275 Description 278 Statistical tool 279 Tool for analysis 280 Supply and use tables in more detail 280 Classifications 280 Classifications 280 Valuation principles 281 Trade and transport margins 283 Tase less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CCHAPTER 10 Price and volume measures 291	_	
Integrated economic accounts		
Aggregates		
Gross domestic product at market prices (GDP)		
Operating surplus of the total economy		
Mixed income of the total economy	·	
National income (at market prices)		
National disposable income	Entrepreneurial income of the total economy	273
Saving	National income (at market prices)	273
Current external balance 274 Net lending (+) or borrowing (-) of the total economy 274 Net worth of the total economy 274 General government expenditure and revenue 274 CHAPTER 9 Supply and use tables and the input-output framework 275 Introduction 275 Description 278 Statistical tool 279 Tool for analysis 280 Supply and use tables in more detail 280 Classifications 280 Valuation principles 281 Trade and transport margins 283 Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	National disposable income	273
Net lending (+) or borrowing (-) of the total economy.274Net worth of the total economy.274General government expenditure and revenue.274CHAPTER 9Supply and use tables and the input-output framework.275Introduction.275Description.278Statistical tool.279Tool for analysis.280Supply and use tables in more detail.280Classifications.280Valuation principles.281Trade and transport margins.283Taxes less subsidies on production and imports.284Other basic concepts.286Supplementary information.287Data sources and balancing.288Tool for analysis and extensions.288	Saving	273
Net worth of the total economy. 274 General government expenditure and revenue 275 CHAPTER 9 Supply and use tables and the input-output framework 275 Introduction 275 Description 278 Statistical tool 279 Tool for analysis 280 Supply and use tables in more detail 280 Classifications 280 Valuation principles 281 Trade and transport margins 283 Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Current external balance	274
General government expenditure and revenue274CHAPTER 9Supply and use tables and the input-output framework275Introduction275Description278Statistical tool279Tool for analysis280Supply and use tables in more detail280Classifications280Valuation principles281Trade and transport margins283Taxes less subsidies on production and imports284Other basic concepts286Supplementary information287Data sources and balancing288Tool for analysis and extensions288CHAPTER 10Price and volume measures291	Net lending (+) or borrowing (–) of the total economy	274
CHAPTER 9 Supply and use tables and the input-output framework 275 Introduction 275 Description 278 Statistical tool 279 Tool for analysis 280 Supply and use tables in more detail 280 Classifications 280 Valuation principles 281 Trade and transport margins 283 Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Net worth of the total economy	274
Supply and use tables and the input-output framework 275 Introduction 275 Description 278 Statistical tool 279 Tool for analysis 280 Supply and use tables in more detail 280 Classifications 280 Valuation principles 281 Trade and transport margins 283 Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	General government expenditure and revenue	274
Statistical tool	CHAPTER 9	
Tool for analysis280Supply and use tables in more detail280Classifications280Valuation principles281Trade and transport margins283Taxes less subsidies on production and imports284Other basic concepts286Supplementary information287Data sources and balancing288Tool for analysis and extensions288CHAPTER 10Price and volume measures291	Supply and use tables and the input-output framework	
Supply and use tables in more detail	Supply and use tables and the input-output framework Introduction	275
Classifications	Supply and use tables and the input-output framework Introduction Description	275 278
Valuation principles281Trade and transport margins283Taxes less subsidies on production and imports284Other basic concepts286Supplementary information287Data sources and balancing288Tool for analysis and extensions288CHAPTER 10Price and volume measures291	Supply and use tables and the input-output framework Introduction Description Statistical tool	275 278 279
Trade and transport margins 283 Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Supply and use tables and the input-output framework Introduction Description Statistical tool Tool for analysis	
Taxes less subsidies on production and imports 284 Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Supply and use tables and the input-output framework Introduction Description Statistical tool Tool for analysis Supply and use tables in more detail	
Other basic concepts 286 Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Supply and use tables and the input-output framework Introduction	
Supplementary information 287 Data sources and balancing 288 Tool for analysis and extensions 288 CHAPTER 10 Price and volume measures 291	Supply and use tables and the input-output framework Introduction Description Statistical tool Tool for analysis Supply and use tables in more detail Classifications Valuation principles	
Data sources and balancing	Supply and use tables and the input-output framework Introduction	
Tool for analysis and extensions	Supply and use tables and the input-output framework Introduction	
CHAPTER 10 Price and volume measures 291	Supply and use tables and the input-output framework Introduction	
Price and volume measures 291	Supply and use tables and the input-output framework Introduction Description Statistical tool Tool for analysis Supply and use tables in more detail Classifications Valuation principles Trade and transport margins Taxes less subsidies on production and imports Other basic concepts Supplementary information	
	Supply and use tables and the input-output framework Introduction Description Statistical tool Tool for analysis Supply and use tables in more detail Classifications Valuation principles Trade and transport margins Taxes less subsidies on production and imports Other basic concepts Supplementary information Data sources and balancing	
	Supply and use tables and the input-output framework Introduction. Description Statistical tool Tool for analysis Supply and use tables in more detail Classifications Valuation principles Trade and transport margins Taxes less subsidies on production and imports Other basic concepts Supplementary information. Data sources and balancing. Tool for analysis and extensions	
	Supply and use tables and the input-output framework Introduction. Description Statistical tool. Tool for analysis. Supply and use tables in more detail. Classifications. Valuation principles. Trade and transport margins. Taxes less subsidies on production and imports. Other basic concepts. Supplementary information. Data sources and balancing. Tool for analysis and extensions.	

i ne integratea system or price and volume indices	292
Other price and volume indices	293
General principles of measuring price and volume indices	294
Definition of prices and volumes of market products	294
Quality, price and homogeneous products	294
Prices and volume	295
New products	297
Principles for non-market services	
Principles for value added and GDP	299
Specific problems in the application of the principles	299
Taxes and subsidies on products and imports	300
Other taxes and subsidies on production	301
Consumption of fixed capital	301
Compensation of employees	
Stocks of produced fixed assets and inventories	301
Measures of real income for the total economy	302
Interspatial price and volume indices	303
oulation and labour inputs.	
Total population	305
Economically active population	306
Employment	
Employees	
Self-employed persons	307
Employment and residence	308
Unemployment	309
Jobs	309
Jobs and residence	310
The non-observed economy	310
Total hours worked	310
Specifying hours actually worked	310
Full-time equivalence	
	311
Employee labour input at constant compensation	
Employee labour input at constant compensation	312

Quarterly national accounts	313
Introduction	313
Specific features of quarterly national accounts	314
Time of recording	314
Work-in-progress	314
Activities concentrated in specific periods within a year	315
Low-frequency payments	315
Flash estimates	315
Balancing and benchmarking of quarterly national accounts	
Balancing	
Consistency between quarterly and annual accounts — benchmarking	
Chain-linked measures of price and volume changes	
Seasonal and calendar adjustments	
Sequence of compilation of seasonally adjusted chain-linked volume measures	318
CHAPTER 13	
Regional accounts	321
Introduction	321
Regional territory	322
Units and regional accounts	322
Institutional units	322
Local kind-of-activity units and regional production activities by industry	322
Methods of regionalisation	323
Aggregates for production activities	324
Gross value added and gross domestic product by region	324
The allocation of FISIM to user industries	325
Employment	325
Compensation of employees	325
Transition from regional GVA to regional GDP	325
Volume growth rates of regional GVA	326
Regional household income accounts	326
CHAPTER 14	
Financial intermediation services indirectly measured (FISIM)	329
The concept of FISIM and the impact of their user allocation on main aggregates	329
Calculation of FISIM output by sectors S.122 and S.125	331

Statistical data required	331
Reference rates	331
Internal reference rate	331
External reference rates	332
Detailed breakdown of FISIM by institutional sector	
Breakdown into intermediate and final consumption of FISIM allocated to households	333
Calculation of imports of FISIM	333
FISIM in volume terms	334
Calculation of FISIM by industry	334
The output of the central bank	334
CHAPTER 15	
Contracts, leases and licences	337
Introduction	337
The distinction between operating leases, resource leases and financial leases	337
Operating leases	338
Financial leases	339
Resource leases	341
Permits to use a natural resource	341
Permits to undertake specific activities	342
Public-private partnerships (PPPS)	344
Service concession contracts	
Marketable operating leases (AN.221)	
Entitlements to future goods and services on an exclusive basis (AN.224)	344
CHAPTER 16	
Insurance	347
Introduction	347
Direct insurance	347
Reinsurance	348
The units involved	349
Output of direct insurance	349
Premiums earned	349
Premium supplements	350
Adjusted claims incurred and benefits due	351
Non-life insurance adjusted claims incurred	351
Life insurance benefits due	352
Insurance technical reserves	352

Defining insurance output	353
Non-life insurance	353
Life insurance	353
Reinsurance	353
Transactions associated with non-life insurance	354
Allocation of insurance output among users	354
Insurance services provided to and from the rest of the world	354
The accounting entries	354
Transactions of life insurance	357
Transactions associated with reinsurance	359
Transactions associated with insurance auxiliaries	360
Annuities	360
Recording non-life insurance claims	361
Treatment of adjusted claims	
Treatment of catastrophic losses	361
CHAPTER 17	
Social insurance including pensions	363
Introduction	363
Social insurance schemes, social assistance and individual insurance policies	364
Social benefits	364
Social benefits provided by general government	365
Social benefits provided by other institutional units	365
Pensions and other forms of benefit	365
Social insurance benefits other than pensions	365
Social security schemes other than pension schemes	366
Other employment-related social insurance schemes	366
Recording of stocks and flows by type of non-pension social insurance scheme	366
Social security schemes	366
Other employment-related non-pension social insurance schemes	367
Pensions	368
Types of pension schemes	368
Social security pension schemes	368
Other employment-related pension schemes	
Defined contribution schemes	369
Defined benefit schemes	
Notional defined contribution schemes and hybrid schemes	
Defined benefit schemes as compared to defined contribution schemes	
Pension administrator, pension manager, pension fund and multi-employer pension scheme	371

Red	cording of stocks and flows by type of pension scheme in social insurance	372
	Transactions for social security pension schemes	372
	Transactions for other employment-related pension schemes	373
	Transactions for defined contribution pension schemes	373
	Other flows related to defined contribution pension schemes	375
	Transactions for defined benefit pension schemes	376
Suppler	nentary table for accrued-to-date pension entitlements in social insurance	379
De	sign of the supplementary table	379
	The columns of the table	382
	The rows of the table	382
	Opening and closing balance sheets	
	Changes in pension entitlements due to transactions	
	Changes to pension entitlements due to other economic flows	
	Related indicators	
Act	tuarial assumptions	
	Accrued-to-date entitlements	
	Discount rate	
	Wage growth Demographic assumptions	
	world accounts	
	ction	
	nic territory	
	sidence	
	onal units	
Branche	es as a term used in the international accounts of the balance of payments	392
	l resident units	
Multi-te	rritory enterprises	393
Geogra	ohical breakdown	394
The inte	rnational accounts of the balance of payments	394
Balancir	ng items in the current accounts of the international accounts	394
	ounts for the rest of the world sector and their relationship with the international accounts alance of payments	396
	e external account of goods and services	
771	Valuation	
	Goods for processing	
	1 0	
	Merchanting	400
	Merchanting	

Imports and exports of FISIM	401
The external account of primary and secondary income	401
The primary income account	402
Direct investment income	402
The secondary income (current transfers) account of the BPM6	403
The external capital account	403
The external financial account and international investment position (IIP)	404
Balance sheets for the rest of the world sector	407
CHAPTER 19	
European accounts	409
Introduction	409
From national to european accounts	409
Conversion of data in different currencies	410
European institutions	410
The rest of the world account	411
Balancing of transactions	412
Price and volume measures	412
Balance sheets	412
'From whom-to-whom' matrices	413
Annex 19.1	413
The accounts of european institutions	413
Resources	413
Uses	414
Consolidation	415
CHAPTER 20	
The government accounts	417
Introduction	417
Defining the general government sector	417
Identification of units in the government	
Government units	
NPIs classified to the general government sector	418
Other units of general government	
Public control	419
Market/non-market delineation	420
Notion of economically significant prices	420
Criteria of the purchaser of the output of a public producer	420

The output is sold primarily to corporations and households.	
The output is sold only to government. The output is sold to government and others	
The output is sold to government and others The market/non-market test	
Financial intermediation and the government boundary	
Borderline cases	
Public head offices	
Pension funds	
Quasi-corporations	
Restructuring agencies	
Privatisation agencies	
Defeasances structures	
Special purpose entities	423
Joint ventures	423
Market regulatory agencies	424
Supranational authorities	424
The subsectors of general government	424
Central government	424
State government	425
Local government	426
Social security funds	426
The government finance presentation of statistics	426
Framework	426
Revenue	428
Taxes and social contributions	428
Sales	428
Other revenue	431
Expenditure	431
Compensation of employees and intermediate consumption	431
Social benefits expenditure	432
Interest	432
Other current expenditure	432
Capital expenditure	433
Link with government final consumption expenditure (P.3)	
Government expenditure by function (COFOG)	433
Balancing items	
The net lending/net borrowing (B.9)	
Changes in net worth due to saving and capital transfers (B.101)	
Financing	
Transactions in assets.	
Transactions in liabilities	
Other economic flows	437

Revaluation account	437
Other changes in volume of assets account	437
Balance sheets	437
Consolidation	438
Accounting issues relating to general government	440
Tax revenue	
Character of tax revenue	440
Tax credits	440
Amounts to record	441
Amounts uncollectible	441
Time of recording	
Accrual recording	
Accrual recording of taxes	441
Interest	
Discounted and zero-coupon bonds	
Index-linked securities	
Financial derivatives	
Court decisions	443
Military expenditure	443
Relations of general government with public corporations	444
Equity investment in public corporations and distribution of earnings	444
Equity investment	444
Capital injections	444
Subsidies and capital injections	
Rules applicable to particular circumstances	
Fiscal operations	
Public corporations distributions	
Dividends versus withdrawal of equity Taxes versus withdrawal of equity	
Privatisation and nationalisation	
Privatisation and nationalisation Privatisation	
Indirect privatisations	
Nationalisation	
Transactions with the central bank	
Restructures, mergers, and reclassifications	447
Debt operations	447
Debt assumptions, debt cancellation and debt write-offs	
Debt assumption and cancellation	
Debt assumption involving a transfer of non-financial assets	
Debt write-offs or write-downs	449
Other debt restructuring	449
Purchase of debt above the market value	450
Defeasances and bailouts	450
Debt guarantees	451

Derivatives-type guarantees	451
Standardised guarantees	451
One-off guarantees	451
Securitisation	452
Definition	
Criteria for sale recognition	
Recording of flows	
Other issues	
Pension obligations	
Lump sum payments	
Public-private partnerships	
Scope of PPP	
Economic ownership and allocation of the asset	
Accounting issues	
Transactions with international and supranational organisations	
Development assistance	457
The public sector	458
Public sector control	458
Central banks	460
Public quasi-corporations	460
Special purpose entities and non-residents	460
Joint ventures	460
CHAPTER 21 Links between business accounts and national accounts and the measurement of corporate activity	
Some specific rules and methods of business accounting	
Time of recording	
Double entry and quadruple entry accounting	
Valuation Valuation	
Income statement and balance sheet	
National accounts and business accounts: practical issues	
The transition from business accounts to national accounts: the example of non-financial enterpris	ses 463
Conceptual adjustments	
Adjustments to achieve consistency with the accounts of other sectors	
Examples of adjustments for exhaustiveness	
Specific issues	
Holding gains/losses Globalisation	
Mergers and acquisitions	465

	Satellite accounts	467
Major characteristics of satellite accounts 472 Functional satellite accounts 472 Special sector accounts 476 Inclusion of non-monetary data 479 Extra detail and supplementary concepts 479 Extra detail and supplementary concepts 479 Different basic concepts 480 Use of modelling and inclusion of experimental results 480 Designing and compiling satellite accounts 481 Nine specific satellite accounts 482 Agricultural accounts 482 Environmental accounts 483 Health accounts 483 Health accounts 483 Household production accounts 495 Labour accounts and SAM 499 Productivity and growth accounts 501 Research and development accounts 502 Social protection accounts 502 Social protection accounts 506 Tourism satellite accounts 509 CHAPTER 23 Classification of institutional sectors (S) 511 Classification of institutional sectors (S) 511 Transactions in products (P) 513 Transactions in non-producted non-financial assets (NP codes) 514 Distributive transactions (D) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Introduction	467
Functional satellite accounts	Functional classifications	470
Special sector accounts 476 Inclusion of non-monetary data 479 Extra detail and supplementary concepts 479 Different basic concepts 480 Use of modelling and inclusion of experimental results 480 Designing and compiling satellite accounts 481 Nine specific satellite accounts 482 Agricultural accounts 482 Environmental accounts 483 Health accounts 483 Health accounts 493 Household production accounts 493 Household production accounts 499 Productivity and growth accounts 501 Research and development accounts 501 Research and development accounts 502 Social protection accounts 502 Social protection accounts 503 CHAPTER 23 Classification of Institutional sectors (S) 511 Classification of institutional sectors (S) 511 Transactions in products (P) 513 Transactions in products (P) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Major characteristics of satellite accounts	472
Inclusion of non-monetary data	Functional satellite accounts	472
Extra detail and supplementary concepts	Special sector accounts	476
Different basic concepts Use of modelling and inclusion of experimental results Designing and compiling satellite accounts Nine specific satellite accounts 482 Agricultural accounts 483 Agricultural accounts 484 Environmental accounts 483 Health accounts 493 Household production accounts 494 Household production accounts 495 Labour accounts and SAM 499 Productivity and growth accounts 501 Research and development accounts 502 Social pratection accounts 503 Tourism satellite accounts 504 Tourism satellite accounts 505 CHAPTER 23 Classifications 511 Classification of institutional sectors (S) 512 Classification of transactions and other flows 71 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 515 Current transfers in cash and kind (D.5-D.8) 717 Transactions in financial assets and liabilities (F) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Inclusion of non-monetary data	479
Use of modelling and inclusion of experimental results	Extra detail and supplementary concepts	479
Designing and compiling satellite accounts. Nine specific satellite accounts. Agricultural accounts. Agricultural accounts. Environmental accounts. Health accounts. Household production accounts. Labour accounts and SAM. Productivity and growth accounts. Research and development accounts. Social protection accounts. Tourism satellite accounts. CHAPTER 23 Classifications Introduction. Classification of institutional sectors (S). Classification of transactions and other flows. Transactions in products (P). Transactions in non-produced non-financial assets (NP codes). Situations in financial assets and liabilities (F). Other changes in assets (K). Classification of balancing items and net worth (B)! Situation of balance sheet entries (L). Situations. 482 482 482 482 482 482 483 483	Different basic concepts	480
Nine specific satellite accounts. Agricultural accounts. Environmental accounts. Health accounts. Household production accounts. Labour accounts and SAM. Productivity and growth accounts. Social protection accounts. Social protection accounts. Social protection accounts. Tourism satellite accounts. Social protection accounts. Social protection accounts. Tourism satellite accounts. Social protection accoun	Use of modelling and inclusion of experimental results	480
Agricultural accounts 482 Environmental accounts 483 Health accounts 493 Household production accounts 495 Labour accounts and SAM 499 Productivity and growth accounts 501 Research and development accounts 502 Social protection accounts 506 Tourism satellite accounts 500 CHAPTER 23 Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 515 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Designing and compiling satellite accounts	481
Environmental accounts	Nine specific satellite accounts	482
Health accounts	Agricultural accounts	482
Household production accounts 495 Labour accounts and SAM. 499 Productivity and growth accounts 501 Research and development accounts 502 Social protection accounts 506 Tourism satellite accounts 509 CHAPTER 23 Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Environmental accounts	483
Labour accounts and SAM	Health accounts	493
Productivity and growth accounts	Household production accounts	495
Research and development accounts 502 Social protection accounts 506 Tourism satellite accounts 509 CHAPTER 23 Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Labour accounts and SAM	499
Social protection accounts	Productivity and growth accounts	501
CHAPTER 23 Classifications	Research and development accounts	502
CHAPTER 23 Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519	Social protection accounts	506
Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B)1 518 Classification of balance sheet entries (L) 519	Tourism satellite accounts	509
Classifications 511 Introduction 511 Classification of institutional sectors (S) 511 Classification of transactions and other flows 513 Transactions in products (P) 513 Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B)1 518 Classification of balance sheet entries (L) 519		
Introduction	CHAPTER 23	
Classification of institutional sectors (S)	Classifications	511
Classification of transactions and other flows	Introduction	511
Transactions in products (P)	Classification of institutional sectors (S)	511
Transactions in products (P)	Classification of transactions and other flows	513
Transactions in non-produced non-financial assets (NP codes) 514 Distributive transactions (D) 514 Current transfers in cash and kind (D.5-D.8) 515 Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B)1 518 Classification of balance sheet entries (L) 519		
Current transfers in cash and kind (D.5-D.8)		
Current transfers in cash and kind (D.5-D.8)	Distributive transactions (D)	514
Transactions in financial assets and liabilities (F) 517 Other changes in assets (K) 518 Classification of balancing items and net worth (B) ¹ 518 Classification of balance sheet entries (L) 519		
Classification of balancing items and net worth (B) ¹	Transactions in financial assets and liabilities (F)	517
Classification of balance sheet entries (L)519	Other changes in assets (K)	518
Classification of balance sheet entries (L)519	Classification of balancing items and net worth (B) ¹	518
Non-financial assets (AN) 519		

Financial assets (AF)	521
Classification of supplementary items	522
Non-performing loans	522
Capital services	523
Pensions table	523
Consumer durables	524
Foreign direct investment	
Contingent positions	
Currency and deposits	
Classification of debt securities according to outstanding maturity	
Listed and unlisted debt securities	
Long-term loans with outstanding maturity of less than one year and long-term loans secured by mortgage	
Listed and unlisted investment shares	
Arrears in interest and repayments	
Personal and total remittances	
Regrouping and coding of industries (A) and products (P)	
Classification of the functions of the government (COFOG)	
Classification of individual consumption by purpose (Coicop)	543
Classification of the purposes of non-profit institutions serving households (COPNI)	545
Classification of outlays of producers by purpose (COPP)	546
CHAPTER 24	
The accounts	547
Table 24.1 — Account 0: Goods and services account	547
Table 24.2 — Full sequence of accounts for the total economy	548
Table 24.3 — Full sequence of accounts for non-financial corporations	565
Table 24.4 — Full sequence of accounts for financial corporations	577
Table 24.5 — Full sequence of accounts for general government	590
Table 24.6 — Full sequence of accounts for households	603
Table 24.7 — Full sequence of accounts for non-profit institutions serving households	616
Index	629