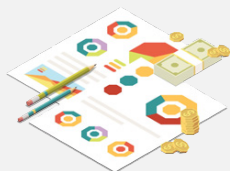


Towards the 2025 SNA and BPM7: Key Themes and Updates to Singapore's National and International Accounts

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Introduction



The global economy continues to evolve, shaped by digitalisation and rapid technological advances, shifts in global production and supply chains, and growing sustainability considerations. The System of National Accounts (SNA), and the Integrated Balance of Payments and International Investment Position Manual (BPM) are established statistical frameworks used globally for measuring economic activity and external sector statistics respectively. The frameworks were updated to better reflect these developments and ensure that macroeconomic statistics remain relevant.

This article highlights the main themes of these updates and outlines Singapore's implementation plans for transitioning to the new standards.

What Are the New 2025 SNA and BPM7 Frameworks?

In March 2025, the United Nations Statistical Commission (UNSC) officially adopted the updated System of National Accounts 2025 (2025 SNA), while the International Monetary Fund (IMF) released the Integrated Balance of Payments and International Investment Position Manual, Seventh Edition (BPM7). Developed in parallel to ensure consistency between domestic and external economic statistics, these revised standards have replaced the 2008 SNA and BPM6. They are the culmination of years of technical research and global consultations involving statistical agencies worldwide, including the Singapore Department of Statistics (DOS).

Why Do the New Frameworks Matter?

The 2025 SNA and BPM7 provide a unified structural response to rapid shifts in the modern economic landscape. By integrating harmonised methodologies and having a shared glossary of core macroeconomic terms, the new standards offer an updated framework for measuring emerging developments such as globalisation, digitalisation, and financial innovation. This ensures that macroeconomic data compiled under the new standards remain equipped to track evolving economic shifts.

Digitalisation and Financial Innovation

The updated standards more accurately capture the rapid transformation of the digital economy and financial landscape, incorporating a broad range of enhancements to improve the measurement of digital and financial activities.

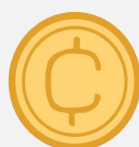
Key updates cover areas such as:



Data as a Produced Asset

Recognition of data as a produced asset reflects businesses' investment in labour and capital to gather, clean and organise data to generate ongoing value.

Under the updated standards, expenditures on data are recognised as a long-term capital investment rather than a one-time expense.



Crypto Assets

Introduced definitions and treatment of crypto assets to reflect the emergence of new forms of digital assets. This provides greater clarity on how these assets should be classified and recorded, improving the consistency and comparability of official statistics.



Digital Activities

Enhanced visibility of digital activities, products and transactions as well as the measurement of digital trade [1] to reflect how digital technologies have transformed the way goods and services are produced, consumed and transacted.

Clearer guidance on measuring and recording key aspects of digitalisation, such as digitally ordered and digitally delivered transactions, enables official statistics to more accurately capture the scale and nature of the digital economy and digital trade.

Globalisation

Given the increasing complexity and interconnectivity of the global economy, the updated standards introduce a broad range of enhancements to improve the measurement and international comparability of cross-border production, trade and investment.

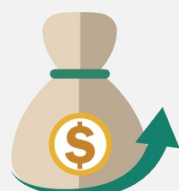
Key updates cover areas such as:



Global Production Arrangements

Clearer guidance on global production arrangements, including factoryless goods production (FGP) and merchanting, reflects the fragmentation of production across economies. Businesses may design, develop and market products, while others may outsource manufacturing to producers in other economies, or trade goods across borders without the goods entering the trader's economy.

The new guidance provides a more consistent approach to record these activities, ensuring that official statistics reflect today's global value chains.



Foreign Direct Investment (FDI)

Improved measurement of FDI to better reflect increasingly complex cross-border investment structures. The new recommendations introduce more detailed information on the type of FDI relationships and ultimate investing economy, alongside improved guidance on valuing unlisted equity. This provides a more comprehensive picture of international investment and strengthens the analysis of cross-border capital flows.



Multinational Enterprises (MNEs)

Expanded statistics on MNEs to better reflect how businesses organise their operations across multiple economies. Additional guidance supports the compilation of more detailed information on the cross-border activities of MNEs, providing greater transparency on their role in global production and investment and a better understanding of the impact of globalisation.

[1] DOS has developed experimental digital economy satellite accounts and digital trade estimates. More details available in this issue.

Well-being and Sustainability

Beyond measuring economic activity, the updated standards broaden the national accounts framework to provide a more comprehensive view of economic progress, alongside well-being and sustainability. They include a range of enhancements that strengthen links between economic, social and environmental information.

Key updates cover areas such as:



Broader measures of Economic Progress

Broader measures of economic progress complement traditional indicators such as Gross Domestic Product. The updated SNA strengthens the national accounts by linking economic information with social and environmental indicators, providing a more comprehensive view of well-being and sustainability.



Natural Resources

Improved accounting for natural resources to better reflect their contribution to the economy. The updated guidance strengthens the recording and valuation of natural resources, and enhances consistency with environmental-economic accounting. This provides a broader view of natural assets and supports better assessment of the long-term sustainability of economic growth.



Environmental-Economic Accounting

Stronger integration with environmental-economic accounting to support the measurement of environmental sustainability. Closer alignment with the System of Environmental-Economic Accounting facilitates the integration of information on natural capital and environmental assets with the national accounts, enabling more informed policy analysis.

Other Enhancements

In addition to the key thematic updates, the updated standards introduce other methodological and conceptual enhancements to improve the quality, consistency and relevance of official statistics. Greater emphasis is placed on effective communication to help users better understand and interpret economic statistics. Together, these enhancements strengthen the overall accounting framework while promoting greater transparency and accessibility.

Key updates cover areas such as:



Central Bank Output

Updated measurement of central bank output by treating all central bank output as non-market output, reflecting the primary role of central banks in supporting monetary and financial stability.



Greater Harmonisation between 2025 SNA and BPM7

Greater harmonisation between 2025 SNA and BPM7 to improve the coherence, consistency and comparability of macroeconomic statistics.

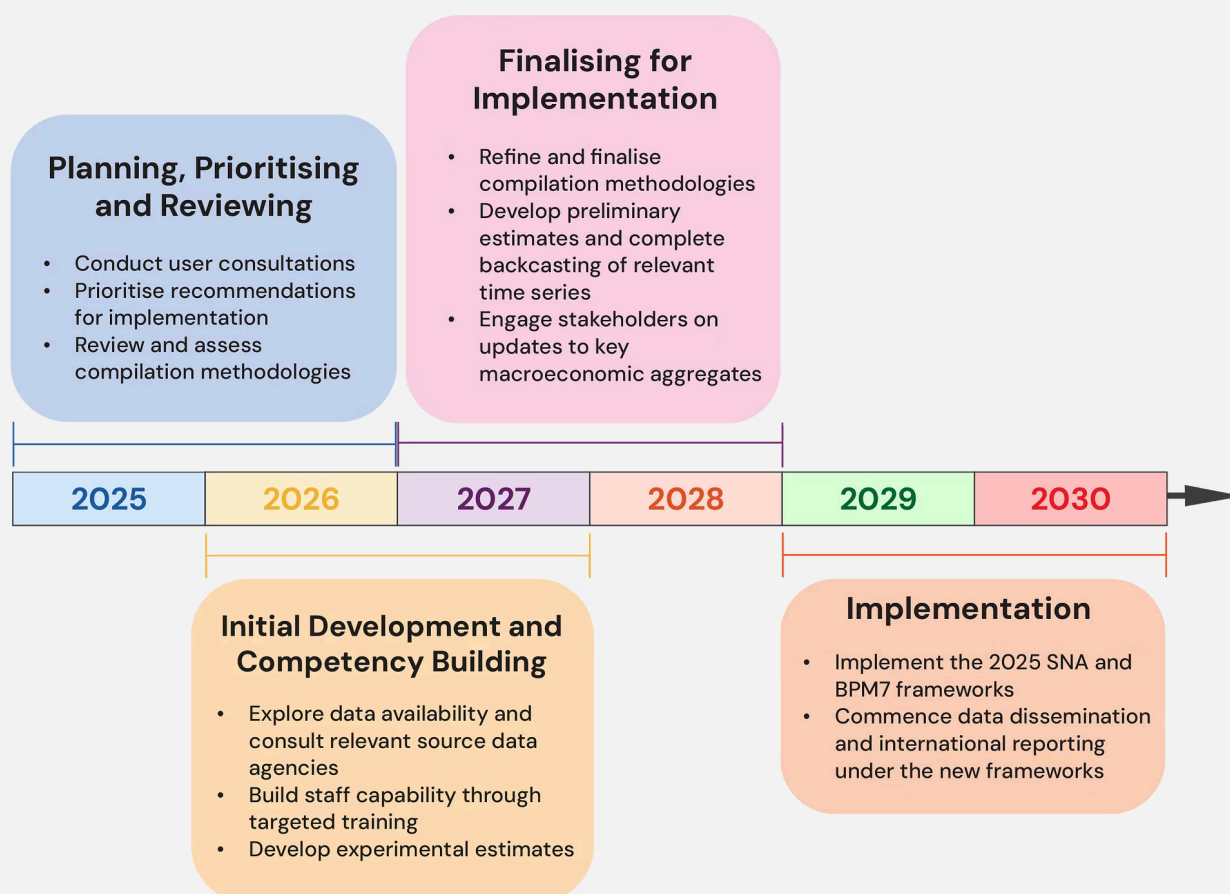


Improved Communication of Official Statistics

Improved communication of official statistics by encouraging the use of clear, simple language and transparent explanations of methodological changes to help users better understand and interpret official statistics.

Implementation Plan

The UNSC and IMF have developed a joint global strategy to synchronise the implementation of 2025 SNA and BPM7 between 2029 and 2030. Singapore is actively working to meet this global timeline through the following phased implementation plan:



Conclusion

The transition to the 2025 SNA and BPM7 represents a concerted effort to ensure that Singapore's national and international accounts remain relevant, dynamic, and adaptable to new phenomena in a rapidly changing global economy.

For National Statistics Offices, the path ahead involves careful implementation planning, capacity building and effective stakeholder and user engagement, so that official macroeconomic statistics continue to accurately reflect the evolution and structural shifts in the economy.

References

United Nations Statistics Division (2025) – [System of National Accounts 2025 – 2025 SNA](#)

International Monetary Fund (2025) – [Update of the sixth edition of the Balance of Payments and International Investment Position Manual \(BPM6\)](#)