

Intangible Assets in the SNA: Measurement and Considerations for Productivity Estimates

Nadim Ahmad

Organisation for Economic Cooperation and Development: nadim.ahmad@oecd.org

The 2008 System of National Accounts recognises a number of intangible assets as being produced non-financial assets. These can summarily be described as mineral exploration, software, research and development and audio visual originals. Estimating the value of these assets is however non-trivial and, so, additional guidance on implementation and estimation is provided in the OECD Handbook "Deriving Capital Measures of Intellectual Property Products". Of these assets, R&D is new to the 2008 SNA, and many countries will begin to provide estimates in their official estimates of GDP in the coming years. Some countries, such as Australia, have already fully implemented the 2008 SNA but for many other OECD countries, estimates will only begin to be introduced around 2014-2016. This paper provides estimates of the likely impact of the implementation of R&D in OECD countries using Frascati based survey data and also provides a detailed assessment of some of the measurement challenges that remain, together with suggested improvements that could be made to underlying data sources. The paper also considers knowledge based assets that are outside of the scope of the 2008 SNA, such as organisational capital and brands, which are being widely estimated in the academic and research community in recognition of their importance to multi-factor productivity estimates. However the implementation in many of these academic studies fail to recognise that the income related to the capital services provided by these assets is not by default recorded as value-added of the owner in the SNA (analogous to the treatment of land) and so the paper provides guidance on how these flows could be correctly recorded for productivity analyses.

Key words: Frascati, Research and Development, Knowledge Based Capital.