

## 2005 Benchmark Revision of JSNA

The results of the 2005 benchmark revision were incorporated in the estimation of the second preliminary GDP for Jul.-Sep. 2011 and the annual revision of GDP for 2010 (released on 9 December, 2011).

Note : The benchmark figures of the Japanese system of national accounts (JSNA) are replaced about every five years when the latest basic source data, such as the “Input-Output Tables” and the “Population Census” become available. Conceptual changes and improvement in estimation methods are usually carried out with the benchmark revision.

### I . 2005 Benchmark Revision

In the 2005 benchmark revision, the estimation was conducted incorporating the “2005 Input-Output Tables,” the “2005 Population Census,” and other basic source data. Other major conceptual changes and improvement of estimation methods carried out were as follows.

#### (1) Improvement in fixed asset estimation

- Improvement in fixed asset estimation and consumption of fixed capital at current prices

In order to improve the estimation, calculation of fixed assets are conducted at more detailed level of asset types and institutional sectors/industries. Estimation of depreciation rates are also reviewed.

The evaluation of consumption of fixed capital is wholly changed to current prices (book values were partly used thus far.).

- In-house software as investment

In accordance with the SNA93, the costs of in-house software production are treated as gross fixed capital formation.

#### (2) Delineation between public/private entities

The sector classification criteria of public/private entities in the JSNA are

slightly modified in order to improve the consistency with the international standards (SNA93 and SNA08) .

(3) Introduction of FISIM (Financial Intermediation Services Indirectly Measured)

In order to record the activities of financial intermediation services, the so-called FISIM concept is introduced in accordance with the SNA93 and SNA08. The services produced by banks and other financial intermediaries are measured using the difference between interest rates on loans and deposits..

**II. Estimation periods**

- Expenditure series of GDP and its components : from 1994 to present (nominal compensation of employees : from 1980 to present)
- Other series : from 2001 to present

**III. Release schedule**

- Flow series : around the end of December 2011
- Stock series : around the end of January 2012

Note : Specific release dates will be announced around mid-December, 2011.