

## National Accounts for 2022: Notes on Use

1. The current Japanese System of National Accounts (JSNA) is compiled based on the System of National Accounts 2008 (2008SNA), the international standard adopted by the United Nations in 2009.

2. In the annual compilation of the JSNA, the figures for the latest year (both fiscal and calendar) are estimated as “First Annual Estimates,” while the figures for the preceding year (both fiscal and calendar) are estimated reflecting newly available source data as “Second Annual Estimates.” In addition, the figures for the year before the “Second Annual Estimates” (both fiscal and calendar) are re-estimated as the “Third Annual Estimates” through a balancing process between the production side and the expenditure side under the framework of Supply and Use Tables (SUTs).

3. In the “National Accounts for 2022,” in addition to incorporating newly available source data, the following changes to the estimation methods have been introduced.

### **(1) Accounting for major budget-related and other measures in FY2022<sup>1 2</sup>**

#### **(i) Wage Increase Grant Funds for Nursing Care Workers**

As these grant funds are provided by the central government to businesses (non-financial corporations) through local governments, they are recorded as “other current transfers” from general government to non-financial corporations.

#### **(ii) Nationwide Travel Support Program**

As grant funds in this program are provided by the central government through local governments, they are recorded as “other current transfers” from general government (local governments) to households and enterprises.

#### **(iii) Kodomo Mirai Housing Support Project (the project that provides grant funds for the acquisition of new energy-efficient housing and energy-saving renovation for households with children and young couples.)**

Grant funds through this project are recorded as “capital transfers” from general government (central government) to households (privately owned houses out of private unincorporated enterprises).

#### **(iv) Emergency Measures in Response to Soaring Prices of Fertilizer Raw Materials**

As grant funds in these measures are provided by the central government through local

---

<sup>1</sup> Measures mainly launched in FY2022, such as the “Comprehensive Emergency Measures to Address Soaring Crude Oil and Commodity Price and related matters” during the COVID-19 pandemic,” are described. For the main measures for FY2020, please refer to “National Accounts for 2020: Notes on Use” (November 22, 2021), and for the main measures for FY2021, please refer to “National Accounts for 2021: Notes on Use” (November 29, 2022).  
<https://www.esri.cao.go.jp/en/sna/data/kakuhou/files/2020/pdf/notice.pdf>  
<https://www.esri.cao.go.jp/en/sna/data/kakuhou/files/2021/pdf/notice.pdf>

<sup>2</sup> The term “enterprises” in the recording method of each measure may include private unincorporated enterprises (households) in addition to non-financial corporations.

governments, they are recorded as “other current transfers” from general government (local governments) to households (private unincorporated enterprises) and enterprises.

(v) Emergency Measures in Response to Rising Feed Prices

Grant funds in these measures are recorded as “other current transfers” from general government (central government) to households (private unincorporated enterprises) and enterprises.

(vi) Emergency Measures to Reduce the Government’s Selling Price of Imported Wheat

While the difference between the purchase price and the selling price of imported wheat in the Special Account for Stable Food Supply (Food Control Account) is recorded as the sales of goods and services of general government (central government), the reduction in the selling price is recorded as the decrease in the sales price.

(vii) Measures to Promoting Electricity Use Efficiency

Grant funds in these measures are recorded as “other current transfers” from general government (central government) to households and enterprises.

(viii) Emergency Support Benefits for Tackling Hikes in Electricity, Gas, and Food Prices

As these benefits are provided by the central government to households through local governments, they are recorded as “social assistance benefits” from general government (local governments) to households.

(ix) Electricity and Gas Prices Cataclysm Mitigation Project

Grant funds in this project are recorded as “subsidies” from general government (central government) to enterprises.

(x) Childbirth and Childrearing Benefits

As the childbirth and childrearing support gift out of childbirth and childrearing benefits is provided by the central government to households through local governments, it is recorded as “social assistance benefits” from general government (local governments) to households.

(xi) Grant Funds for Guaranteed Fees Under the Guarantee Program for Refinancing

The transfer of grant funds for guarantee fees from the central government to the Special Fund for Guarantees Related to Management Stabilization, etc. established at Japan Federation of Credit Guarantee Corporations in conjunction with the establishment of the new guarantee program for refinancing is recorded as “capital transfers” from general government (central government) to enterprises.

(xii) Special Grant for Regional Revitalization for COVID-19 Response (responding to the

rise in crude oil prices and commodities prices due to the COVID-19 pandemic, as well as local grants to help mitigate the rise in electricity, gas and food prices, etc.)

This grant is recorded as “other current transfers” from the central government to local governments and as “other current transfers,” etc. from local governments to enterprises, depending on the nature of the project in local governments.

(xiii) Exemption from Repayment Forgiveness of Temporary Loan Emergency Funds and Comprehensive Support Funds

Out of Temporary Loan Emergency Funds and Comprehensive Support Funds provided to households through Councils of Social Welfare as a special measure for the response to the COVID-19 pandemic, those exempted from repayment are recorded as “capital transfers” from private non-profit institutions serving households to households.

**(2) Adjustment of allocation ratios in the Second Annual Estimates for 2021 and the First Annual Estimates for 2022**

In the commodity flow method, the allocation ratios for demand items by commodity are, in principle, obtained from the most recent Third Annual Estimates (in the National Accounts for 2022, these are the estimates for 2020). However, for the Second Annual Estimates for 2021 and the First Annual Estimates for 2022, in view of the impact of the COVID-19 pandemic, the allocation ratios for some commodities have been adjusted by making use of source statistics and data to reflect recent changes in the economic structure that cannot be captured by the fixed allocation ratios<sup>3</sup>.

**(3) Adjustment of intermediate inputs in the First Annual Estimates for 2022**

The value-added method uses available source data to estimate intermediate inputs by item. In the First Annual Estimates for 2022, in view of the impact of COVID-19, adjustments are made to the level of consumption expenditure outside households (“lodging expenses and daily allowances,” and “social expenses”) as intermediate inputs by making use of various supporting data to reflect recent changes in economic structure that cannot be captured at the stage of the First Annual Estimates owing to restrictions on the source data.<sup>4</sup>

**(4) Reflection of changes in various statistics, etc.**

(i) Use of the *Economic Conditions Survey* in the Second Annual Estimates

Part of services output under the commodity flow method, which was previously based on the *Current Survey on Service Industries* (the Ministry of Internal Affairs and Communications; MIC) and the *Survey of Selected Service Industries* (the Ministry of Economy, Trade and Industry; METI) in the Second Annual Estimates, is

---

<sup>3</sup> Specifically, for the commodities whose allocation ratios were adjusted in the Second Annual Estimates for 2020 (slaughter and livestock food products, frozen seafood, milled rice, frozen prepared foods, and alcoholic beverages), the allocation ratios are adjusted using the growth in final consumption expenditure of households, which is estimated by utilizing various source data, including private sector statistics.

<sup>4</sup> Specifically, for “lodging expenses and daily allowances,” intermediate inputs are adjusted based on the trends in the Travel and Tourism Consumption Trend Survey (the Japan Tourism Agency), as in the National Accounts for 2021. For “social expenses,” intermediate inputs are adjusted by referring to trends in economic activity that can be used to determine changes in the intermediate input ratio of the goods and services concerned.

changed to be based on the *Economic Census for Business Activity* and the *Economic Conditions Survey* (both MIC and METI)<sup>5</sup>.

- (ii) Response to the retroactive revision of the *Survey of Building Construction Work Started* and the *Quick Estimate of Construction Investment*

The *Survey of Building Construction Work Started* (the Ministry of Land, Infrastructure, Transport and Tourism; MLIT) reviewed the method for dealing with outliers in estimated construction costs, and when the April 2023 survey was released, values based on the new method for dealing with outliers were published as reference values. In addition, in the *Quick Estimate of Construction Investment* (MLIT) for April 2023, the figures for the period from 2020 onwards were retrospectively revised to reflect the new method for dealing with outliers of the *Survey of Building Construction Work Started*.

The National Accounts already reflect retroactive revisions back to 2020 in the Quarterly Estimates of GDP for April-June 2023 (First Preliminary, released on August 15, 2023). In the Annual Estimates for 2022, the revision is incorporated to estimate the series including fixed assets, consumption of fixed capital and operating surplus and mixed income (net) after 2020.

- (iii) Reflecting the retroactive revision of the *Flow of Funds Accounts*

In the revision of the *Flow of Funds Accounts* (the Bank of Japan) in June 2023, the figures from FY2004 were retroactively revised. As a result, the corresponding data series in the JSNA has been revised retroactively up to FY2004.

## **(5) Classification of Government Affiliated Organizations (FY2022)**

The classification of government-affiliated organizations reflects the establishment, abolishment, and consolidation of government agencies during FY2022. The following are major examples:

- *Japan Green Investment Corp. for Carbon Neutrality* is classified as “public financial corporations.”
- *Tochigi Prefectural Okamoto Dai Hospital*, *Katori Omigawa Medical Center*, and *Tokyo Metropolitan Hospital Organization* are each classified as “public non-financial corporations.”
- *Izumisano City Administrative Service Center* is classified as “local government.”

---

<sup>5</sup> For details, see Document 3, 35th Session of the Task Force for Improvement of System of National Accounts, Statistics Commission (October 30, 2023).  
([https://www.soumu.go.jp/main\\_content/000909146.pdf](https://www.soumu.go.jp/main_content/000909146.pdf))