

## 제6회 KIPF 발생주의 회계 국제심포지엄

The 6th KIPF Public Sector Accrual Accounting International Symposium

# 정책 의사결정을 위한 재정통계의 고도화: 공시에서 활용으로

Upgrading Fiscal Statistics for Policy Decisions: Disclosure to Decision-Making

2025. 11. 5.(수) 14:00~18:00

프레지던트 호텔 31층 모썬트홀

# PROGRAM

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13:30~14:00 Registration

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## Opening Ceremony

14:00~14:30 (30')

Opening Remarks	<b>Young Lee</b> President, Korea Institute of Public Finance
Congratulatory Remarks	<b>Kwan Young Kim</b> Governor, Jeonbuk State

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## Keynote Speech

14:30~14:50 (20')

**Fiscal Statistics and Strategies to Strengthen Their Role in Fiscal Decision-Making**  
**Steffi Schuster**, Division Chief, Government Finance Division, Statistics Department, IMF

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## Presentation

### [Session 1] The Role of Internal Management Accounting for Government Decision-Makers

14:50~15:40 (50')

Moderator	<b>Ho In Kang</b> Senior Advisor, Yulchon LLC
Presentation	<b>Towards Government Management Accounting for Fiscal Policy Decision-Making</b> <b>Woo Hyun Chang</b> Executive Director, Government Accounting and Finance Statistics Center, Korea Institute of Public Finance
Discussion	<b>Chang Gyun Park</b> Senior Research Fellow, Korea Capital Market Institute <b>Jeong Hee Lee</b> Professor, University of Seoul

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### [Session 2] Strategies for Consolidating Fiscal Information of Central and Local Governments

15:40~16:30 (50')

Moderator	<b>Jhung Soo Park</b> Executive Vice President, Ewha Womans University
Presentation	<b>Fiscal Data Consistency and Analysis</b> <b>Mariana Sabates Cuadrado</b> Senior Economist, Statistics Department, IMF <b>Clement Ncuti</b> Senior Economist, Fiscal Affairs Department, IMF
Discussion	<b>Andrew Blazey</b> Deputy Head of Public Management and Budgeting, OECD <b>Sung Jin Park</b> Professor, Yonsei University

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16:30~17:00 Break

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## Roundtable

17:00~18:00 (60')

Moderator	<b>Bong Hwan Kim</b> Professor, Seoul National University
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## 프로그램

13:30~14:00

등 록

### 개 회 식

14:00~14:30  
(30')

개회사 **이영** 한국조세재정연구원 원장

축 사 **김관영** 전북특별자치도지사

### 기조연설

14:30~14:50  
(20')

**발생주의 재정통계 활용 현황과 향후 과제**  
**Steffi Schuster**, IMF 통계국 정부재정과장

### 주제발표

#### [세션1] 정부 정책결정을 위한 국가관리회계의 역할

사 회 **강호인** 법무법인(유) 올촌 고문

14:50~15:40  
(50')

발 표 **합리적 재정 의사결정을 위한 국가관리회계 구축 및 활용 방안**  
**장우현** 국가회계재정통계센터 소장

토 론 **박창균** 자본시장연구원 선임연구위원  
**이정희** 서울시립대 행정학과 교수

#### [세션2] 중앙·지방정부 정부간 재정정보 통합 전략

사 회 **박정수** 이화여대 부총장

15:40~16:30  
(50')

발 표 **재정데이터의 일관성과 분석**  
**Mariana Sabates Cuadrado** IMF 통계국 선임 이코노미스트  
**Clement Ncuti** IMF 재정국 선임 이코노미스트

토 론 **Andrew Blazey**, OECD 공공거버넌스국 공공관리예산 부부장  
**박성진** 연세대 글로벌행정학과 교수

16:30~17:00

휴 식(30)

### 라운드테이블

17:00~18:00  
(60')

좌 장 **김봉환** 서울대 행정대학원 교수

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- Presentation
- Towards Government Management Accounting for Fiscal Policy Decision-Making**  
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**Keynote Speech**  
기조연설

**Fiscal Statistics and Strategies to Strengthen Their Role  
in Fiscal Decision-Making**

**Steffi Schuster**, Division Chief, Government Finance Division, Statistics Department, IMF

**발생주의 재정통계 활용 현황과 향후 과제**

**Steffi Schuster**, IMF 통계국 정부재정과장





STATISTICS

## Fiscal statistics and strategies to strengthen their role in decision-making

Steffi Schuster, Division Chief

November 5, 2025

Government Finance Division, Statistics Department

### Disclaimer:

The views expressed herein are those of the author and should not be attributed to the IMF, its Executive Board, or its management.

## Outline

- About fiscal statistics
- Benefits of GFSM adoption
- Update to the GFSM 2014
- Concluding remarks

## About fiscal statistics

## About fiscal statistics - Background

- In response to the growing demand for internationally comparable fiscal data, the International Monetary Fund (IMF) developed the Government Finance Statistics Manual 2001 (GFSM 2001) - a major revision of its previous framework (GFSM 1986)
- IMF member countries are strongly encouraged to adopt the GFSM (now the GFSM 2014) as a standardized framework for the compilation, reporting, and analysis of government finance information.
- Most IMF member countries compile Government Finance Statistics (GFS) in accordance with the GFSM framework.
- The IMF disseminates GFS through its official Data Portal, which serves as a global database and supports fiscal transparency and international comparability.
- The IMF collaborates with national authorities and other regional/international organizations to promote and enhance fiscal data availability and quality.

## About fiscal statistics

- GFS are presented in an **integrated framework** designed to support **fiscal analysis, policymaking and the IMF's surveillance**
- GFS is **standardized, consistent, comparable, comprehensive, and transparent**
- Part of wider **macroeconomic statistics** with GFSM 2014 consistent with the 2008 System of National Accounts (SNA)
- Fiscal statistics enable monitoring and analysis of a government's financial position and activities.
- Combining fiscal metrics with other standardized aggregates and frameworks unlocks rich insights into the 'health' of economies and coordination opportunities.

## Government Finance and Public debt metrics

The IMF encourages detailed tables on revenue, expenditure, and balances, presented in a standardized format like those presented in the GFSM.

### Common statistical outputs and tables:

Revenue and Expenditure: Tables detailing government income (from taxes and other sources) and spending, including final consumption expenditure, gross fixed capital formation, and social transfers.

Deficit/Surplus: the balance of government revenue and expenditure, often expressed as a percentage of GDP.

Government Balance Sheet: stock of nonfinancial assets, financial assets, and liabilities, which indicates the government's net worth.

Debt and Liabilities: Detailed information on government debt, including quarterly and annual data, and how it is consolidated.

Functional Breakdown: Government expenditure categorized by its function, such as defense, education, or health, using a standard classification like the COFOG.

## Example: EU's Stability and Growth Pact

### European Union's terms (fiscal rules) of their Stability and Growth Pact

Member States pledged to keep their deficits and debt below certain limits.

A Member State's government ...

... deficit may not exceed 3% of its gross domestic product (GDP),

... while its debt may not exceed 60% of GDP.

References:

Eurostat: [Euro area and EU government deficit at 3.1% of GDP - Euro indicators - Eurostat](#)

EU Commission: [Stability and Growth Pact - Economy and Finance - European Commission](#)

## Example: United Nation's SDGs

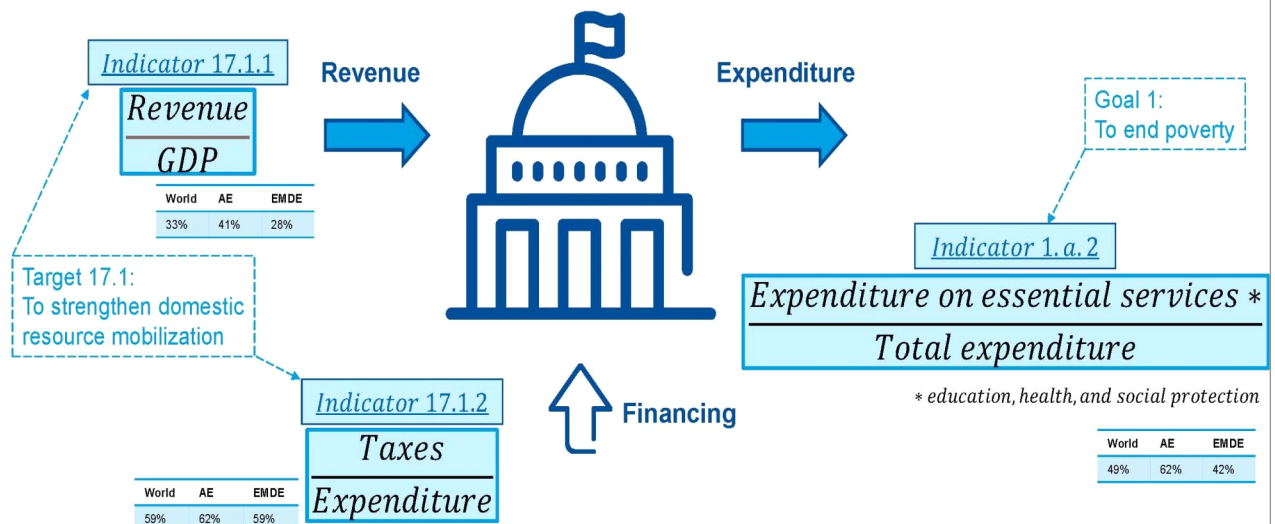


Reference: [THE 17 GOALS | Sustainable Development](#)

\*231 unique indicators (some indicators serve multiple targets).

## Example of Government-related SDG Indicators

- Source data are taken from government finance statistics (GFS) database



(Note) Indicator's values are for 2022 data. AE = Advanced Economies; EMDE = Emerging and Developing Economies. IMF is also a custodian agency for 2 other SDG indicators: [8.10.1](#) (financial inclusion) and [10.5.1](#) (financial soundness).

## Benefits of GFSM adoption

### How GFS improves decision-making

#### 1. Standardization and Comparability

- GFS provides a standardized, consistent, and comparable framework for compiling fiscal data across countries and government units.
- This enables policymakers to benchmark performance, identify trends, and compare fiscal outcomes internationally and across sectors. Such comparability is crucial for evaluating the effectiveness of fiscal policies and for making informed decisions about resource allocation.

#### 2. Comprehensive Fiscal Analysis

- GFS integrates data on revenue, expenditure, assets, liabilities, and other economic flows.
- This holistic view allows decision-makers to assess the full financial position of the government, including its net worth and fiscal sustainability. By linking stocks and flows, GFS supports analysis of both short-term fiscal operations and long-term financial health.

## How GFS improves decision-making (cont.)

### 3. Enhances Fiscal Transparency and Accountability

- GFS ensures comprehensive and harmonized reporting of government operations, making fiscal data transparent and comparable internationally.
- This transparency builds trust among stakeholders—ministries, parliaments, markets, and citizens—supporting evidence-based policy debates.

### 4. Provides a Common Analytical Language

- By using standardized classifications (e.g., COFOG for expenditure by function), GFS enables policymakers to compare spending priorities (education, health, climate) across time and countries.
- This common language reduces ambiguity and supports cross-country benchmarking for fiscal sustainability and benchmark-related spending.

## How GFS improves decision-making (cont.)

### 5. Facilitates Policy Simulation and Scenario Planning

- GFS data are harmonized with macroeconomic frameworks and can be fed into models for Fiscal multipliers, Public investment analysis and Debt sustainability frameworks.
- This enables governments to simulate policy options and choose strategies that minimize risks and maximize social outcomes.

### 6. Improves International Comparability and Surveillance

- Countries reporting under GFS can be monitored by international bodies (IMF, World Bank) for compliance and performance.
- Comparability enables peer studies and supports global initiatives, e.g., SDGs.
- Compliance with international standards enhances investor confidence.

## Cross-country analysis has challenges

While a standardized framework (GFSM 2014) and assistance is available to facilitate fiscal analysis and comparability across countries full adherence is not guaranteed.

Comparability issues may arise from:

- ❖ Incomplete data: Coverage may be incomplete for some countries, with data missing from some levels of government or certain transactions, such as extrabudgetary accounts and external assistance.
- ❖ Differing accounting practices: Some countries may follow national conventions rather than international standards, leading to variations in what is counted as revenue or expense. The basis for recording transactions (cash versus accrual) can also differ.
- ❖ Methodological complexities such as valuation discrepancies: The valuation of transactions and assets can vary, with some countries using nominal or historical costs instead of market values.

## Possible challenges at national level

Factors contributing to underutilization of fiscal data vary and include lack of awareness or incentives for data collection, limited capacity and resources.

Potential constraints:

- Lack of systems, staff and know how required to collect, share and use data effectively.
- Weak safeguards, institutions or institutional arrangements for sharing data
- Lack of integration: Many countries have systems like Integrated Financial Management Information Systems (IFMIS) but fail to fully leverage the data for fiscal policy analysis, even though it is potentially available in near real-time.
- Lack of commitment to fiscal transparency

Investments are required to realize the benefits.

These may include:

- Shared understanding and commitment to use data for analysis and decision-making and transparency.
- Accelerate integration of system and tools (upstream and downstream).
- Invest in capacity building and coordination across agencies that handle fiscal data and agree common objectives, format and classifications, e.g., the Chart of Accounts.

# Update to the GFSM 2014

## Update to the GFSM 2014

- **Objectives:**

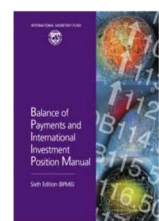
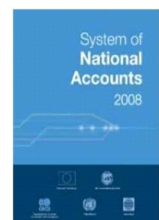
1. Harmonization with other statistical standards, including:
  - **2025 SNA and BPM7,**
  - COFOG, SEEA CF, MFSM updates
2. Meeting user needs

- **Intended outcome:**

A new GFS manual (updating and replacing the GFSM 2014) by end-2027 (“GFSM 2027”)

- **Who will be involved:**

IMF-led project requiring extensive collaboration and consultation with statistical compilers and users worldwide, including task teams



## Research projects currently under way

GFS compilation	Debt and Other Monetary and Financial topics	Environmental topics	Fiscal Analysis & GFS Communication
Boundary between government and nonfinancial public corporations	Treatment of capital injections by government into corporations	Accounting for natural resources and their exploitation in GFS	Methodological guidance on compilation and analyzing SOE data
Treatment of public private partnerships (PPPs)	Debt valuation issues	Recording and valuation of infrastructure assets	GFS within fiscal analysis and policymaking
Social Security Schemes	Boundary between government and financial public corporations	Presentation of GFS flows related to natural resources	Communicating GFS to users
Government assumption of pension obligations	Recording of provisions and contingent liabilities	Climate-sustaining and climate-damaging subsidies and other transfers	Relationship between GFS and IPSAS
Employee benefits – defined benefit schemes	Debt assumption and debt payments on behalf of others		Balance sheet analysis
Boundary between capital and current transfers	Equity for public corporations		A framework for the presentation of GFS metadata
Defining and subclassifying extrabudgetary units	Valuation and recognition of loans		Tax expenditures, tax deferrals, and other similar incentives
Government or public nonlife insurance schemes	Stock positions and related flows with the IMF and other regional / international organizations		Retained earnings of public corporations and their impact on fiscal analysis
Treatment of zakat	Transactions with sovereign wealth funds (SWFs)		
Indigenous governments	Treatment of privatization		

## Concluding remarks

## Key messages

- International standards support consistency resulting in better data quality, enabling complex policy analysis and transparency.
- Call to action:
  - Seize the opportunity for a thoughtful alignment of fiscal data and management systems, including integration of data sets and tools for better utilization for planning, fiscal analysis and reporting.
  - Highlight the advantages of international standards to policymakers and guide them on how to leverage more complete and consistent information. Policymakers will be able to consider variables that may have been underused with previous systems, all while preserving valuable existing data, e.g., cash statistics.

**Thank you!**



**(Session1) The Role of Internal Management Accounting  
for Government Decision-Makers  
정부 정책결정을 위한 국가관리회계의 역할**

**Towards Government Management Accounting  
for Fiscal Policy Decision-Making**

**Woo Hyun Chang**

Executive Director, Government Accounting and Finance Statistics Center, Korea Institute of Public Finance

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**합리적 재정 의사결정을 위한 국가관리회계 구축 및 활용 방안**

**장우현** 국가회계재정통계센터 소장





## Towards Government Management Accounting for Fiscal Policy Decision-Making

Chang, Woo Hyun

Senior Fellow / Executive Director of Government Accounting and Finance Statistics Center  
Korea Institute of Public Finance (KIPF)  
2025. 11.5.




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The 6th KIPF Public Sector Accrual Accounting International Symposium

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- 02 Government "Management" Accounting
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# 1 Background



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## Government Accounting (GA) for Internal Users?

The current government accounting system is well structured for disclosure to external information users, but the system for internal information users' policy decision-making is insufficient.

- Accounting can be classified into two types based on internal and external users:
  - In the case of business accounting, which mainly targets corporations, there exists "Financial Accounting" for external users and "Management Accounting" for internal users.
  - However, the current government accounting system does not fully implement a managerial accounting approach for internal information users, the policy makers.

## Policy Decision-makings and Current GA

The current GA tends to include only limited information carefully selected for external disclosure for international comparison purposes, excluding a lot of information that could be helpful for decision-making

- For policy decision-making, it is necessary to estimate and utilize all relevant accrual-based liabilities and assets beyond information publicly disclosed, but current GA include restricted, disclosable information.
  - A typical case is the major social insurances, which are directly linked to future fiscal expenditure burdens.
  - For rational policy decision-making and response, it is necessary to recognize the expenditure obligations as accrual-based potential liabilities at the time they occur.
  - However, it is excluded in the current national accounting standards for liabilities: Even if demographic/institutional changes occur for major social security systems like the national pension, these effects are not reflected in fiscal statistics based on current disclosure-oriented accounting

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## 2 Government "Management" Accounting



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## Introduction to Government Management Accounting

This presentation aims to discuss the necessity of additionally exploring the approach of "Government Management Accounting (GMA)" for fiscal policy decision-making

- GMA involves proactively identifying and organizing factors that can be additionally considered under accrual principles, performing reasonable accounting estimates, and producing statistics for fiscal decision-making
  - GAM can be defined as accounting that produces fiscal statistics as the basis to assist internal users who must make fiscal decisions or advise on such decisions.
  - Key elements : 1) The output should be statistical data highly relevant to internal users' decision-making 2) The preparation data must ensure fundamental rationality in accordance with basic accounting principles such as the accrual basis.

## Introduction to Government Management Accounting

The shaded area represents the region that have been overlooked until now, which this presentation focuses on and proposes to newly establish:  
Entity: Government, Information Users: Policy Decision Makers

Entity	Firms	Government	Nonprofit
Information Users			
External Stakeholders (International Organizations, Citizens, Investors, Creditors, etc.)	Financial Accounting	Government Accounting	Public Benefit Corporation Accounting Nonprofit Organization Accounting
Internal Stakeholders (Fiscal Policy Authorities, Policy Research Institutes, Managers, Administrator, etc.)	Management Accounting	<b>Government Management Accounting (GMA)</b>	Nonprofit Organization Management Accounting

### 3 Components in Government Management Accounting



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#### Suggested Components of GMA 1: Social Security

The first type of expenditure to consider for internal decision-making includes social security-related expenditures.

- The first candidate for GMA is eight major social insurances (8대 사회보험) : The National Pension, Government Employees' Pension, Private School Teachers' Pension, Military Pension, National Health, Long-term Care, Employment, and Industrial Accident Insurance
  - if future compulsory government expenditures are expected, these should be appropriately recognized as liabilities on an accrual basis at the time of occurrence.
  - Especially under changing demographic structures, social security expenditures need to be estimated based on assumptions differing from original designs, thus giving high value to estimates of liabilities.

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## Suggested Components of GMA 2: Mandatory Expenditures

Newly introduced future compulsory expenditures should also be evaluated on an accrual basis considering the present value of amounts

- One good example is the Basic Pension (기초연금), Although the actual payment amounts for the basic pension are not legally fixed and can be adjusted annually.
  - Its policy intent and political acceptability suggest that large-scale reductions are unlikely, so accumulated payments should be appropriately reflected as liabilities
- General mandatory expenditures (의무지출) also warrant review: Mandatory expenditures represent government spending obligations that extend beyond a single year to medium or long term.
  - From an accrual perspective, it is reasonable to recognize these as liabilities and estimate them, enhancing usefulness for rational fiscal decision-making

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## Suggested Components of GMA 3: Potential Revenue / Asset

On the revenue and asset side, estimations of items that could substantially increase government revenues under current tax regimes in light of changing population structure and social changes can be included.

- In GMA, it is not always necessary to recognize only liabilities additionally : If additional revenues can be anticipated due to policy decisions, they should also be fully considered.
  - For instance, the present value of revenues from raising the value-added tax (VAT) rate could be recognized as assets, providing useful information for decisions regarding VAT rate settings.
- If additional revenues can be anticipated due to social and demographic changes, they should also be fully considered: For example, inheritance and gift taxes (상속세 · 증여세) can be a good candidate in Korea
  - They have already risen steeply and are projected to increase substantially with demographic shifts if existing tax structures remain.

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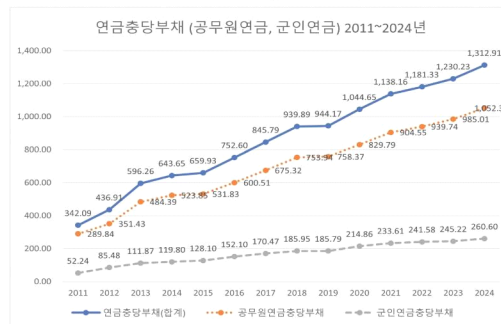
## 4 Examples: Asset and Liability from Existing Estimates



### Military and Civil Servant Pensions

Military Pensions and Civil Servant Pensions are not included as official, but are included in government settlement reports

- For reference, the pension obligations were 342 trillion KRW in 2011 but increased to 1,313 trillion KRW by 2024.
  - Although these expenditures should not be classified as government debt for objective international comparison, but for related policy decision makings, they can be valuable information



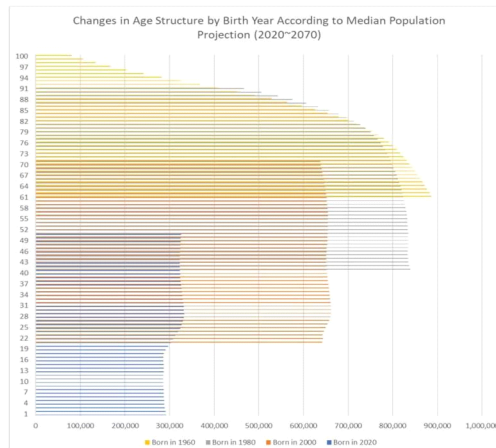
## 5 Preliminary Examples: Asset and Liability by New Methods



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### Background : Changes in population structure

Currently, Republic of Korea is experiencing low fertility rates almost unprecedented in history and therefore expecting an rapidly aging population



Chang(2024b). Based on statistics from the Statistics Korea, this data indicates the projected population levels by age group from 2020 to 2070 for individuals born in specific years: 2020 (age 0 in 2020), 2000 (age 20 in 2020), 1980 (age 40 in 2020), and 1960 (age 60 in 2020). The vertical axis represents the population count for each group when they reach the corresponding age on the horizontal axis.

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## Hypothetical long-term fiscal policy

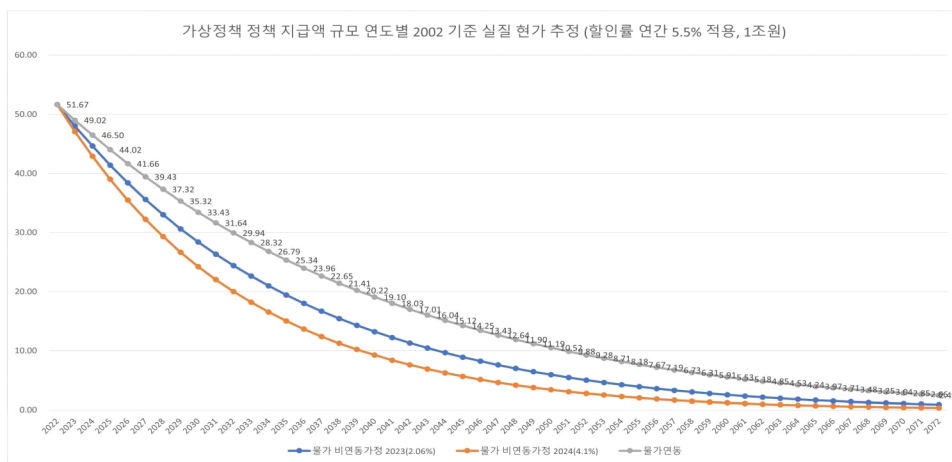
Any long-term fiscal policy decision-making can get benefits from the accrual accounting and GMA

- As a reference example, let's consider a hypothetical program that transfers cash to the private sector:
  - Let us assume a scenario where, as of the end of 2022, a program is designed to pay every citizen 1 million won annually starting from 2022.
  - If we do not utilize the present value approach, it is 52 trillion KRW for one year, but 2,370 trillion KRW for next 50 years when the amounts are simply added. But……

$$L = \sum_0^T \frac{CF_t}{(1+r)^t}$$

## Hypothetical long-term fiscal policy

When evaluated based on net present value rule, the present value of the policy is between 561 trillion won and 888 trillion won.



## Inheritance Tax (Preliminary Approach)

Though Demographic structure poses sustainability concerns from the pension perspective, it also suggests the potential for additional intergenerational wealth transfer and inheritance tax revenues

- When a generation with a larger population passes assets to a smaller generation, there is a likelihood of an increase in inheritance wealth per capita as well as an increase in national inheritance tax revenues.
  - While a fertility rate below one implies a situation where one person supports two, it can also be viewed as one person inheriting from two.
  - The share of inheritance and gift taxes relative to total national taxes has already steadily increased, rising from about 2% in 2015 to approximately 4.5% in 2023.

## Inheritance Tax (Preliminary Approach)

On-going approach: Back-calculating realistic asset distribution parameters to achieve the current inheritance tax amount and using the parameters to logically forecast future inheritance tax revenues

- We assume that the asset distribution for each generation follows a Pareto distribution parametrically, and numerically calculate the parameters of the Pareto distribution that result in the current inheritance tax revenue : Tentative pareto  $\alpha = 4.868$ 
  - Under a Pareto distribution with  $\alpha = 4.868$ , the asset distribution exhibits the following characteristics:
    - The top 20% hold 58.1% of the total assets
    - The top 5% hold 25.5% of the total assets
    - The top 1% hold 8.5% of the total assets

## Inheritance Tax (Preliminary Approach)

**On-going approach: Back-calculating realistic asset distribution parameters to achieve the current inheritance tax amount and using the parameters to logically forecast future inheritance tax revenues**

- The inheritance tax status in 2025 computed under the alpha parameter is as follows:

Age	# of Deaths	Taxable Rate(%)	Annual Tax (Trillion KRW)	Average Tax (100 Million KRW)
50-59	21,700	35.10%	1.34	1.76
60-69	43,175	31.60%	2.18	1.6
70-79	65,400	25.60%	2.22	1.33
80+	206,670	21.50%	5.25	1.18

## Inheritance Tax (Preliminary Approach)

**On-going approach: Back-calculating realistic asset distribution parameters to achieve the current inheritance tax amount and using the parameters to logically forecast future inheritance tax revenues**

- The preliminary results suggest that the inheritance tax will reach 14.05 trillion KRW in 2030, 22.57 trillion KRW in 2040, 34.78 trillion KRW in 2050 (annual growth rate of 4.7%)
- This application, like all accounting data, can be used in a value-neutral manner: It can be utilized by those who wish to use the resources effectively in a shrinking population scenario, but equally by those who believe that excessive inheritance and gift taxes will adversely affect the economy.

## 6 Policy Suggestions and Conclusion



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### Policy Suggestions : Flexible, Inclusive Approach

GMA should value all data possessing accounting rationality and clear assumptions for internal decision-making, without the need for rigid standards applied to external disclosures.

- In building and utilizing accounting data for internal decision-making, various social security policies and mandatory expenditures—whose spending obligations are legally defined and spending amounts determined by statutes—should reasonably be estimated and recognized.
- From the revenue perspective, if there are changes in policies expected to generate future revenue, it is preferable for rational fiscal decision-making to capitalize and recognize such revenues as assets.

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## Policy Suggestions : Internal Usage

To avoid unnecessary misunderstandings and incorrect comparisons, until appropriately processed for the public, the outputs of GMA should be used internally only

- Due to inherent assumptions and methodological limitations, these data should not be shared with non-experts without sufficient background information and are primarily intended for internal use only.
- It is advisable that national management accounting systems be developed internally, centered on fiscal authorities and supporting policy research institutes.
- Research institutes play a crucial role in systematically identifying necessary accounting items, conducting rigorous studies to produce rational outputs for fiscal decision-making, and organizing data systematically.

## Conclusion

Enhanced collaboration between economics, public finance and accounting is needed for effective fiscal decision support from the GMA.

- Decision-making is the core element of economics, and supporting decision-making is the core element of accounting: Closer collaboration between economics and accounting is necessary to support important fiscal decisions.
- If the national accounting system centered on disclosure accounting can incorporate the character of GMA designed to produce decision-use accounting, it is expected that more rational fiscal decisions can be supported with useful information in the future.

Thank you



**(Session2) Strategies for Consolidating Fiscal Information  
of Central and Local Governments**  
중앙·지방정부 정부간 재정정보 통합 전략

**Fiscal Data Consistency and Analysis**

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**Clement Ncuti** Senior Economist, Fiscal Affairs Department, IMF

**재정데이터의 일관성과 분석**

**Mariana Sabates Cuadrado** IMF 통계국 선임 이코노미스트  
**Clement Ncuti** IMF 재정국 선임 이코노미스트





# Fiscal Data Consistency and Analysis

6<sup>TH</sup> KIPF PUBLIC SECTOR ACCRUAL ACCOUNTING  
INTERNATIONAL SYMPOSIUM

Mariana Sabates and Clement Ncuti

November 5, 2025

Disclaimer: The views expressed herein are those of the authors and should not be attributed to the IMF, its Executive Board, or its management.

## Outline

- **Fiscal Data Consistency** – The GFS Integrated Framework as a Tool for Data Consistency
- **Fiscal Analysis** – The Public Sector Balance Sheet as a Tool for Fiscal Policy Analysis



## Fiscal Data Consistency – The GFS Integrated Framework as a Tool for Data Consistency

IMF | Statistics

3

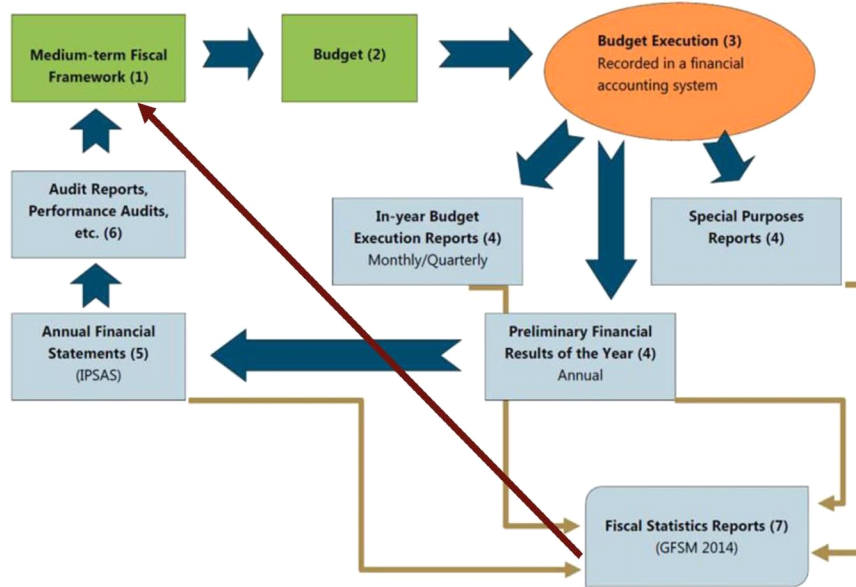
### Ensuring cross-sectoral consistency



IMF | Statistics

4

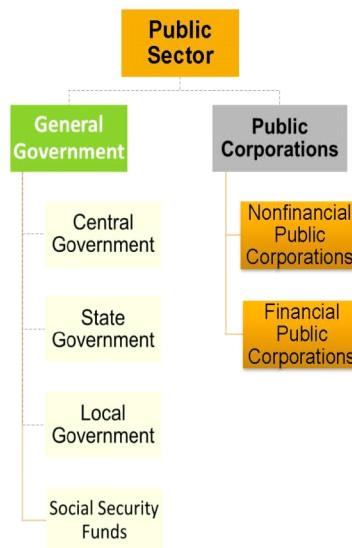
## Fiscal Cycle



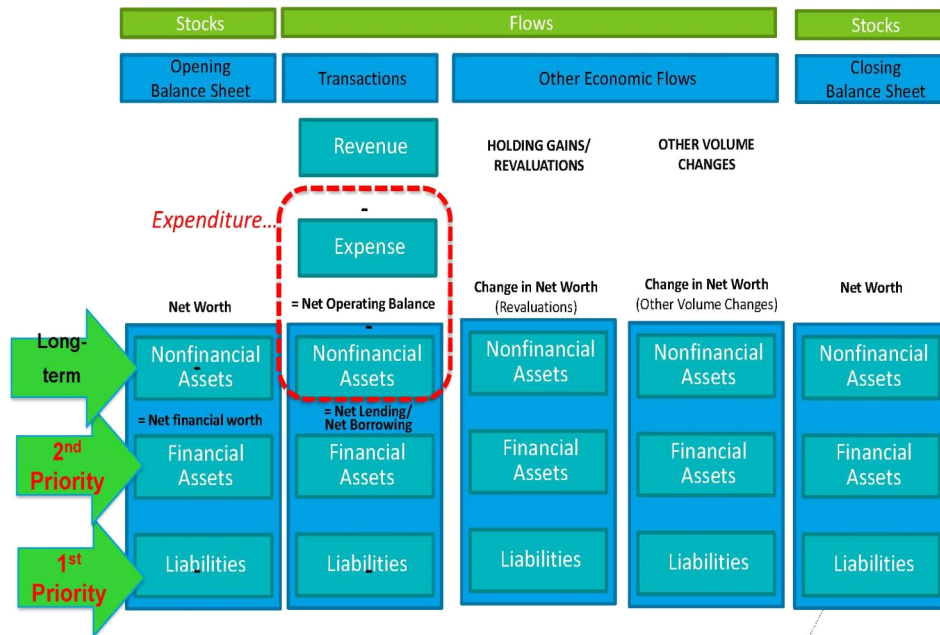
## GFSM 2014 Framework Institutional Coverage

### GFSM covers the public sector and its subsectors.

- Coverage and sectorization are based on residence, institutional units, control, and market and non-market activity.
- For international comparisons, the general government sector is currently the most important.
- Interest in the state-owned companies sector is growing.



## The GFSM framework Schematic Presentation

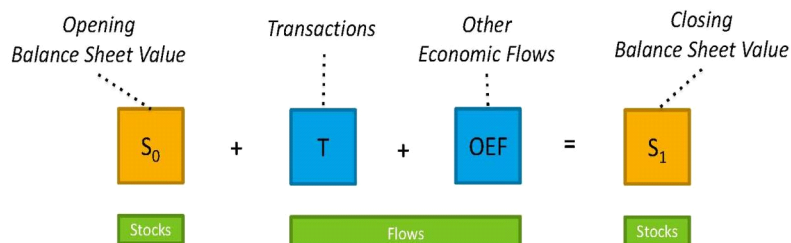


## The GFSM 2014 Framework - Overview

### Balance Sheet Approach

- Stock positions are connected with flows, meaning that...
- Stock positions of assets, liabilities (gross debt) as well as net debt, net financial worth and net worth can be derived

$S$  = stock position;  $T$  = transactions;  $OEF$  = other economic flows



GFSM allows the distinction between:

- Transactions: (*under the direct control*)
- Other economic flows: (*impact of internal or external shocks*)

## Why do GFS differ from national fiscal data?

**Because GFS aims to measure economic reality**, it “captures” all fiscal activity in a coherent, consistent and integrated framework

- Budgets are typically “political” documents, follow country laws, do not capture all government’s activities
- Budget execution data are most likely not in GFS format
  - Have to guard against “country labels” of data → likely not = GFS label
  - Major aggregates and balances can (and likely will) differ in GFS format

**GFS is not the same as accounting data**

- Different purpose – GFS measures economic reality/nature of the consolidated general government (and/or public sector) policies
- But, harmonized—to extent possible—with International Public Sector Accounting Standards (IPSAS)

## The GFS framework enables the fiscal economist to ....

**Integrate stock positions and flows** (i.e., explain the changes in stock positions of assets and liabilities of government)

- Balance sheet (Balance Sheet Analysis—BSA)
- Debt (Debt Sustainability Analysis—DSA)
- Verify data quality and consistency over time
  - Fiscal analysis is only complete if we can explain all the changes in the stock positions (reconcile flows and stock positions)

Ensure **consistent/proper treatment** of specific, large “events” that may skew the overall picture

Conduct **cross-country analyses and comparisons**

- Best conducted when the institutional coverage is similar, particularly for...
  - Multilateral surveillance work
  - Regional surveillance work

## Uses of the framework

The GFS framework has many analytical uses, but also supports decision making & management

- Ascertain the impact of fiscal stance on financial resources
- Assess the government's use of (or addition to) financial resources of the rest of the economy and externally
- Determine the proper delineation of the broader public sector
- Enables cross-sectional and longitudinal evaluation of government policy outcomes, providing internationally comparable fiscal balances and integrated analytical frameworks
- Supports debt management, fiscal policy impact assessment, and delivers critical source data for national accounts, balance of payments, and financial statistics

Assess the **impact of fiscal policy on aggregate/domestic demand, production, and saving**

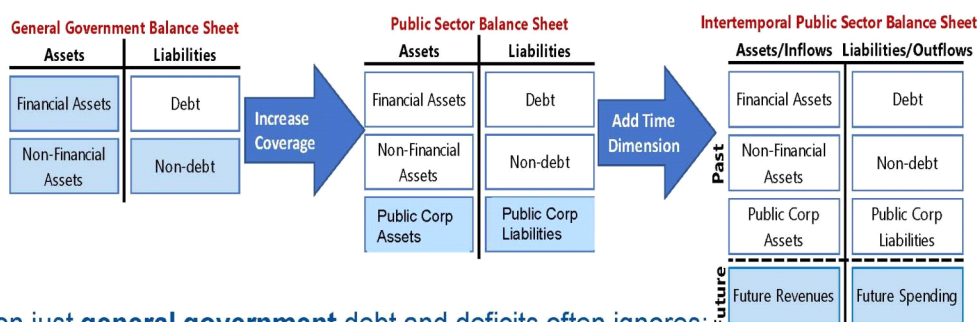
Detailed picture, based on coherent framework, is necessary to do a proper analysis, given the varying fiscal multipliers of individual revenue & expenditure categories



## Fiscal Analysis – The Public Sector Balance Sheet as a Tool for Fiscal Policy Analysis

## The Public Sector Balance Sheet (PSBS) – Beyond Debt and Deficits

PSBS brings in all assets, debt and non-debt liabilities of general government and public corporations into a single comprehensive picture of the public finances.



Focus on just general government debt and deficits often ignores:

- **Assets**, both **financial** (liquid assets, investments in SOEs,) and **non-financial** (nat. resources)
- **Public corporations** (e.g., SOEs, some SWFs, state-owned banks...)
- Pension liabilities
- Intertemporal dimension

## A country's PSBS provides a comprehensive view of all the components of the public sector separately and on consolidated basis

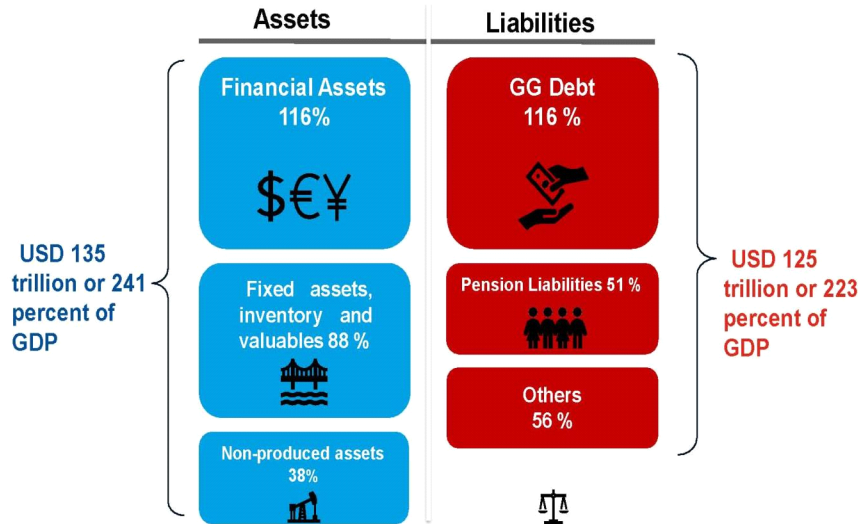
Maldives Public Sector Balance Sheet, 2019  
(Percent of GDP)

	Central Government			Local Government	General Government	Non Fin. Corporations	Financial Corporations	Central Bank	Consol.	Public Sector
	Budgetary Central Gov.	EBU	Consolidated Central Gov.							
<b>Total transactions</b>										
Revenue	26.5	0.2	26.7	1.7	27.3	23.4	5.8	0.5	-5.8	51.2
Expenditure	31.0	0.1	31.1	1.7	31.7	21.4	2.6	0.2	-5.8	50.1
Expense	25.8	0.1	25.9	1.7	26.5	17.8	2.5	0.2	-5.8	41.1
Investment in NFA	5.2	0.0	5.2	0.0	5.2	3.6	0.2	0.0	0.0	9.0
<b>Net operating balance</b>	<b>0.7</b>	<b>0.1</b>	<b>0.8</b>	<b>0.0</b>	<b>0.8</b>	<b>5.6</b>	<b>3.4</b>	<b>0.3</b>	<b>0.0</b>	<b>10.0</b>
<b>Net lending/borrowing</b>	<b>-4.5</b>	<b>0.1</b>	<b>-4.4</b>	<b>0.0</b>	<b>-4.4</b>	<b>2.0</b>	<b>3.2</b>	<b>0.3</b>	<b>0.0</b>	<b>1.0</b>
<b>Total assets</b>	<b>51.7</b>	<b>0.0</b>	<b>51.7</b>	<b>0.0</b>	<b>51.7</b>	<b>78.0</b>	<b>53.3</b>	<b>21.3</b>	<b>-54.5</b>	<b>149.8</b>
Nonfinancial assets	6.5	0.0	6.5	0.0	6.5	61.7	0.7	0.3	0.0	69.2
o/w: Subsoil assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	45.2	0.0	45.2	0.0	45.2	16.3	52.6	21.0	-54.5	80.5
<b>Reported liabilities (a)</b>	<b>70.2</b>	<b>0.0</b>	<b>70.2</b>	<b>0.0</b>	<b>70.2</b>	<b>40.0</b>	<b>44.1</b>	<b>20.5</b>	<b>-41.1</b>	<b>133.7</b>
Debt securities	37.4	0.0	37.4	0.0	37.4	0.0	0.5	0.0	-16.2	21.7
Loans	25.5	0.0	25.5	0.0	25.5	28.5	1.9	0.1	-12.3	43.8
Accounts payable	7.3	0.0	7.3	0.0	7.3	11.5	25.6	0.8	-1.7	43.5
Pensions	0.0	0.0	0.0	0.0	0.0	0.0	16.0	0.0	0.0	16.0
Other (mainly equity/deposits)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.5	-10.8	8.7
<b>Reported net worth</b>	<b>-18.5</b>	<b>0.0</b>	<b>-18.5</b>	<b>0.0</b>	<b>-18.5</b>	<b>38.0</b>	<b>9.3</b>	<b>0.8</b>	<b>-13.5</b>	<b>16.1</b>
<b>Unreported liabilities (b)</b>	<b>64.6</b>	<b>0.0</b>	<b>64.6</b>	<b>0.0</b>	<b>64.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>64.6</b>
Unreported pensions	64.6	0.0	64.6	0.0	64.6	0.0	0.0	0.0	0.0	64.6
Unreported PPP liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total liabilities (a)+(b)</b>	<b>134.8</b>	<b>0.0</b>	<b>134.8</b>	<b>0.0</b>	<b>134.8</b>	<b>40.0</b>	<b>44.1</b>	<b>20.5</b>	<b>-41.1</b>	<b>198.3</b>
<b>Net financial worth</b>	<b>-89.6</b>	<b>0.0</b>	<b>-89.6</b>	<b>0.0</b>	<b>-89.6</b>	<b>-23.8</b>	<b>8.6</b>	<b>0.5</b>	<b>-13.5</b>	<b>-117.7</b>
<b>Net worth</b>	<b>-83.1</b>	<b>0.0</b>	<b>-83.1</b>	<b>0.0</b>	<b>-83.1</b>	<b>38.0</b>	<b>9.3</b>	<b>0.8</b>	<b>-13.5</b>	<b>-48.5</b>

Source: Maldives Fiscal Transparency Evaluation, IMF, 2021.

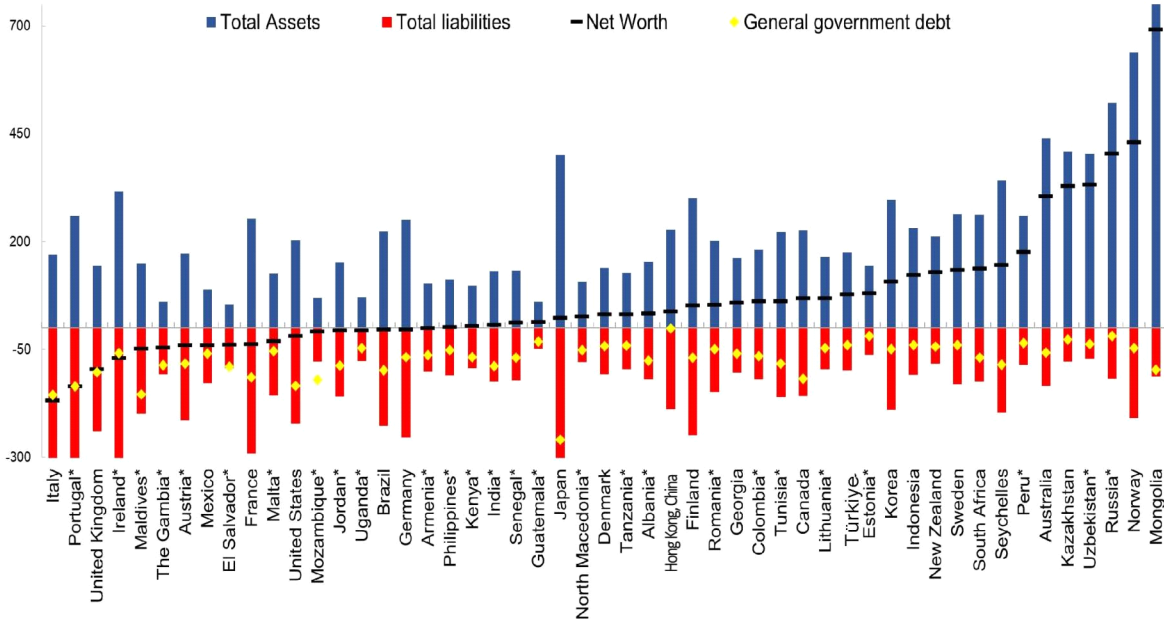
## Aggregating over 55 economies (including all major economies)...

Aggregate Public Sector Balance Sheet for 55 countries  
(in percent of GDP: 2021 or latest data)



Source: IMF Public Sector Balance Sheet Database (PSBS); IMF Investment and Capital Stock Database; World Bank (2023)  
Note: in liabilities: "Others" includes debt securities, loans, accounts payable, currency and deposits, SDRs, financial derivatives and equity.

## Public Sector Balance Sheets around the world



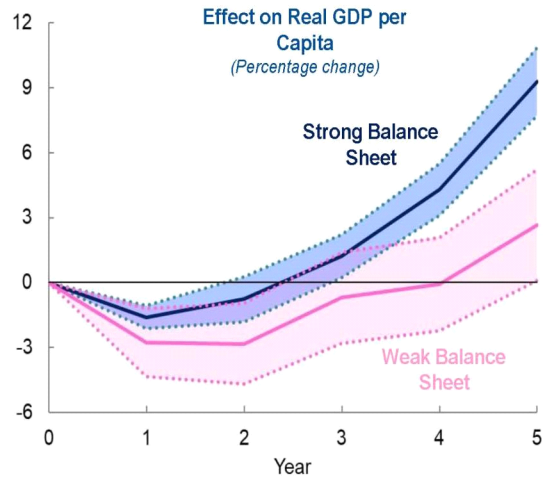
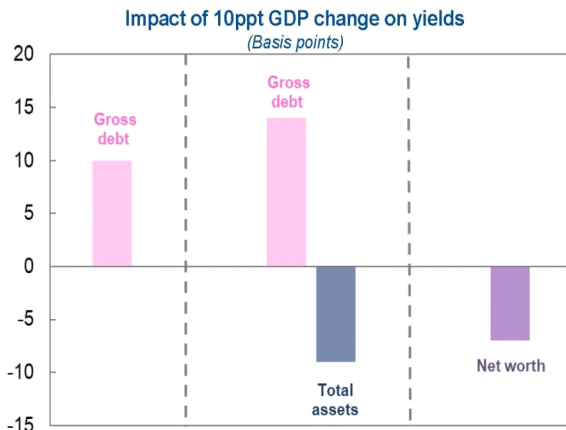
Source: IMF Public Sector Balance Sheet Database (PSBS); World Economic Outlook.  
Note: The chart is based on 2021 update of the PSBS database sorted by net worth from lowest to highest, presenting data for 2021 or latest available data then and includes countries where there was data available for the general government, and public sector including public corporations. countries with Asterisk (\*) are those with only one data point.

## PSBS matters (1) : Countries with stronger balance sheets tend to have lower interest costs and show stronger resilience

To gauge the link between balance sheet strength and financial markets:

- Three separate regressions of sovereign bond yields on (1) debt, (2) debt and assets, and (3) net worth.
- The results suggest that debt, assets, and net worth all matter for yields. The significant coefficient estimate on assets indicates that balance sheet strength adds information to an analysis solely based on debt numbers.

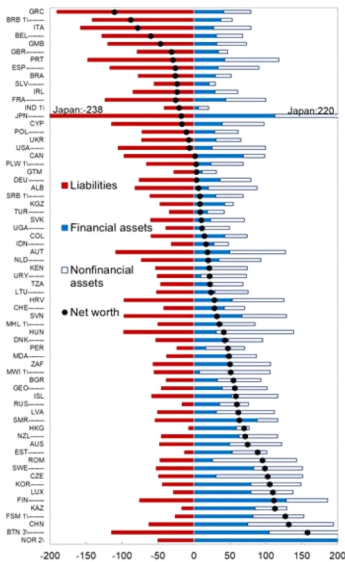
Countries with stronger balance sheets recover faster following a recession.



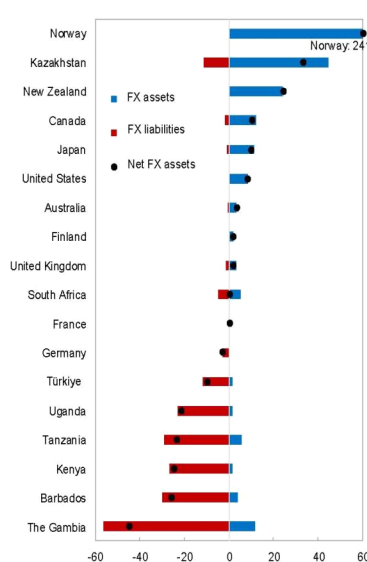
Source: IMF October 2018 Fiscal Monitor  
 Note: (RHS) Shaded area represents 90 per cent confidence interval. Strong balance sheet defined as having a net financial worth above the sample median. Based on a sample of 17 advanced economies.

## PSBS matters (2) : Sovereign risks are better illuminated

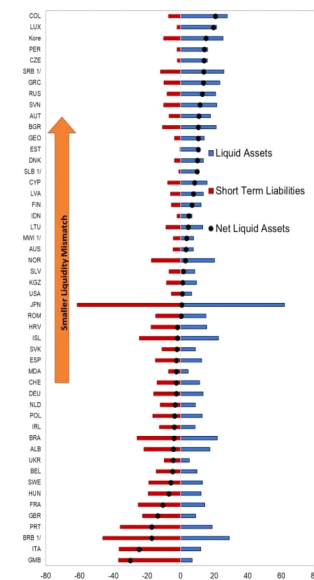
Total Assets and Liabilities (percent of GDP)



FX Assets and Liabilities (percent of GDP)



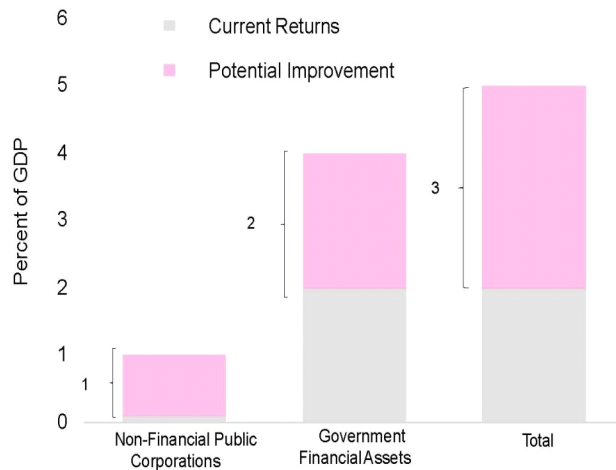
Liquid Assets and Liabilities (percent of GDP)



Source: October 2018 Fiscal Monitor

## PSBS matters (3) : Can point to scope for improved asset management, with higher attendant returns

Up to 3 percent of GDP could be gained from improved asset management  
(in percent of GDP)



An improvement in asset management performance from the 25<sup>th</sup> to 75<sup>th</sup> percentile of the cross-country distribution for nonfinancial public corporations and government financial assets would generate returns as high as 3 percent of GDP per year.

Source: IMF October 2018 Fiscal Monitor.

Note: The 3 percent of GDP is an estimate from 14 countries; it is for illustrative purpose, rather than a benchmark. 14 countries: Australia, Canada, El Salvador, Finland, France, Georgia, Indonesia, Japan, Kazakhstan, Korea, Lithuania, New Zealand, Norway, and the United Kingdom.



**Thank you!**







# 제6회 KIPF 발생주의 회계 국제심포지엄

The 6th KIPF Public Sector Accrual Accounting International Symposium