



**STATISTICS**

# **Progress on the GFSM 2014 Update**

**GFSAC MEETING  
OCTOBER 22-23, 2025**

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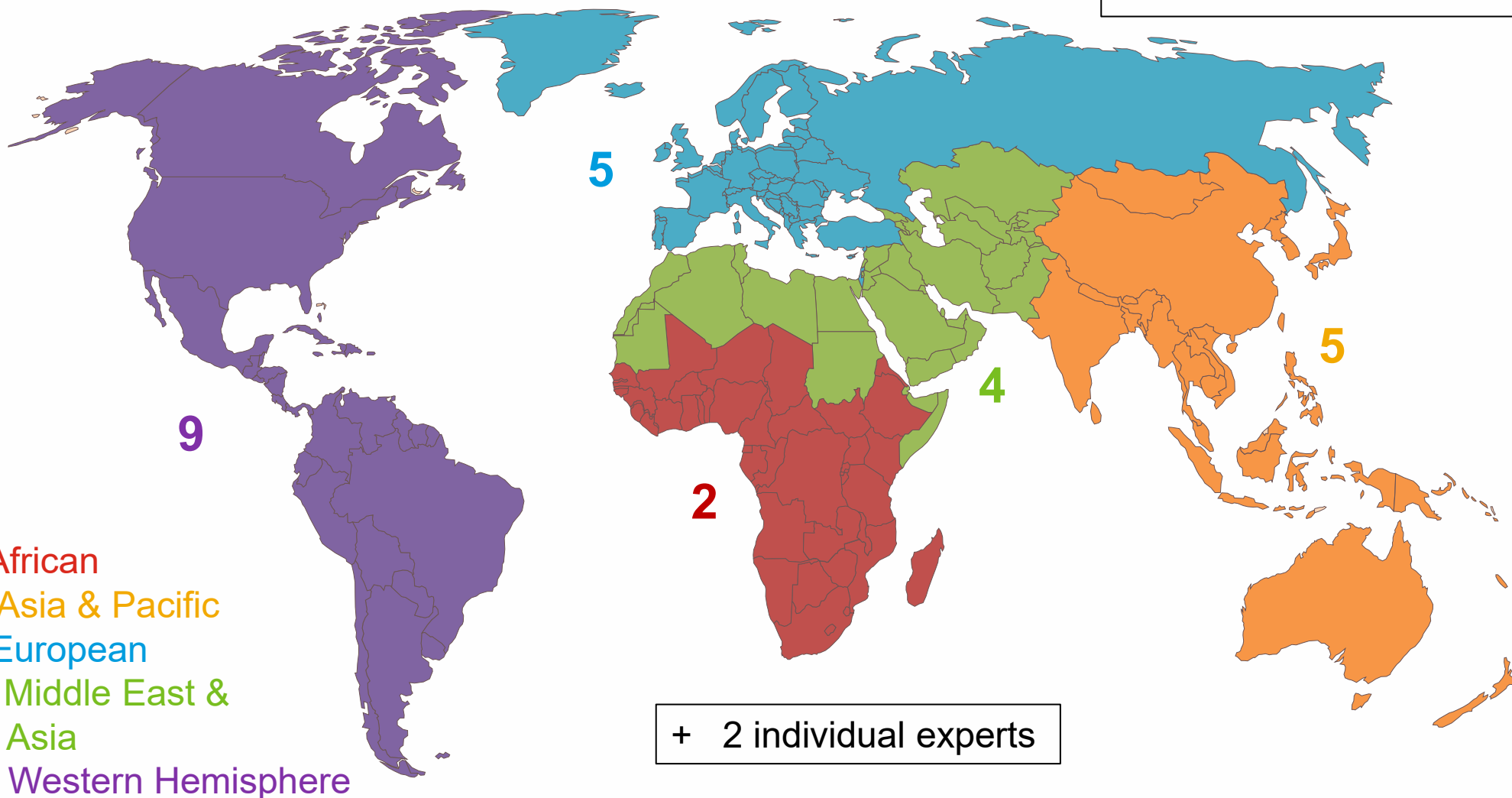
# Summary of Consultation Responses and Changes to Draft Notices of Decision

# Research Projects Under Third Consultation

1.1 Valuation principles and methodologies	1.18 The recording of crypto assets in macroeconomic statistics
1.3 Treatment of centralized currency unions in macroeconomic statistics	1.26 Treatment of trusts and other types of funds as separate institutional units
1.12 Reverse Transactions	1.32 Recording of share buybacks
1.13 Financial derivatives by type	1.33 Clarification on the statistical treatment of negative interest rates
1.14 Capturing non-bank financial intermediation	1.34 Clarification on reserve position in IMF
1.15 Treatment of cash collateral	1.35 Recording of Central Bank swap arrangements in macroeconomic statistics
1.16 Treatment of factoring transactions	

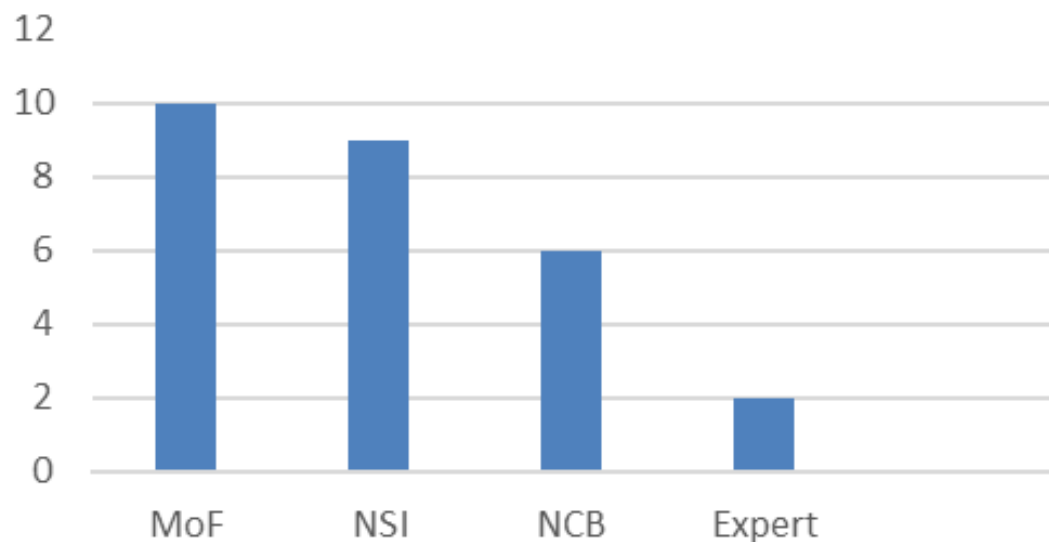
# Respondents by Region

27 Respondents in Total

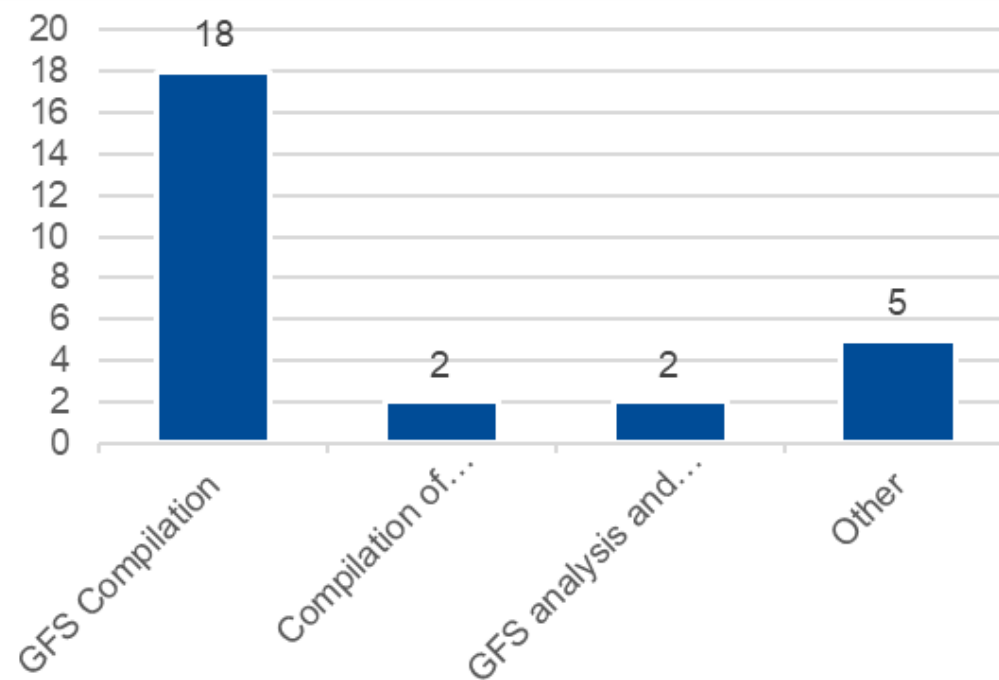


# Respondents by Institute and Main Interest

Majority of respondents from MoFs, but also significant numbers from NCBs and NSIs.



Vast majority of respondents stated their main interest as GFS compilation.



# Main Points from Consultation Responses

- 27 Respondents, lower than previous consultations
- 75% or more of respondents, who expressed a view, agreed with each PR
- In nearly all cases, other respondents stated they “partially” agreed with PR
- Some of the comments received have led to proposed revisions to proposals in original PRs (details covered in the draft Notices of Decision):
  - *1.1 Valuation principles and methodologies*
  - *1.3 Treatment of centralized currency unions in macroeconomic statistics*
  - *1.13 Financial derivatives by type*
  - *1.16 Treatment of factoring transactions*
  - *1.26 Treatment of trusts and other types of funds as separate institutional units*
  - *1.12 Reverse transactions*

# Summary of Changes to Notices of Decisions

Notice of Decision	Summary of change
1.1 Valuation principles and methodologies	Clarification on use of “exchange price”
1.3 Treatment of centralized currency unions in macroeconomic statistics	Inclusion of examples of centralized and decentralized currency unions
1.13 Financial derivatives by type	Added reference to margins
1.16 Treatment of factoring transactions	Added reference to PR 1.15 (treatment of cash collateral)
1.26 Treatment of trusts and other types of funds as separate institutional units	Added reference to research project 2.26 (EBUs), which will look at nonfinancial trusts
1.12 Reverse Transactions	Added reference to crypto assets and inclusion of worked examples

- **Detailed changes to NoDs available in Annex.**
- **No requests from GFSAC to discuss specific NoDs during this meeting**



# Update on Work of Task Teams

# Timetable (as at September 2024)

Not Started										
In progress										
Complete										
Phase I : Research	2024*				2025				2026	
Milestone description	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
GFSAC Meetings										
March 2024 [virtual]										
April 2024 [in-person]										
September 2024 [virtual]										
Meeting between Nov 2024 - Mar 2025 [virtual]										
May 2025 [in-person]										
Final research program endorsed by GFSAC										
Establish Task Teams										
Appointment of task team Co-Chairs										
Appointment of task team members										
Confirmation and onboarding of Task Team members										
Research Projects: SNA/BPM [First Batch]										
Research Projects: SNA/BPM [Second Batch]										
Research Projects: SNA/BPM [Third Batch]										
Research Projects: GFS-Specific - Project Initiation Document (PID) Preparation										
Research Projects : GFS-Specific - Advancement through Task teams										
Research Projects : GFS-Specific [First Batch]										
Research Projects : GFS-Specific [Second Batch]										
Research Projects : GFS-Specific [Third Batch]										
Research Projects : GFS-Specific [Fourth Batch]										

\*Timeline based on calendar years

# Timetable (as at October 2025)

	Not Started								
	In progress								
	Complete								
Phase I: Research									
Milestone description	2024*			2025*				2026*	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
GFSAC Meetings									
April 2024 [in-person]									
September 2024 [virtual]									
March 2025 [virtual]									
May 2025 [in-person]									
October 2025 [virtual]									
January/February 2026 [virtual]									
April/May 2026 [in-person]									
Establish Task Teams									
Appointment of task team Co-Chairs									
Confirmation and onboarding of Task Team members									
Research Projects: SNA/BPM [First Group]									
Research Projects: SNA/BPM [Second Group]									
Research Projects: SNA/BPM [Third Group]									
Research Projects: GFS-Specific - Project Initiation Document (PID) Preparation									
Research Projects : GFS-Specific [TT1]									
Research Projects : GFS-Specific [TT2]									
Research Projects : GFS-Specific [TT3]									
Research Projects : GFS-Specific [TT4]									

Areas of slippage since Sep 2024

\*Timeline based on calendar years

# Task Team 1

Discussion Note		Stage
2.1	Boundary between government units and NFCs	Ready for GFSAC review
2.6	Defining and subclassifying EBU	Drafting – reviewed by GFSM-Coord
2.21	Social security schemes	Drafting – reviewed by GFSM-Coord
2.23	Employee Benefits – DB Schemes	Drafting – reviewed by TT*
2.3	Indigenous governments	Expected to start later in 2025
2.5	Treatment of zakat	Expected to start later in 2025
2.7	Government or public nonlife insurance schemes	Expected to start later in 2025
2.14	Treatment of public private partnerships (PPPs)	Expected to start later in 2025
2.17	Boundary between capital and current transfers	Expected to start later in 2025
2.22	Government assumption of pension obligations	Expected to start later in 2025

*\*Awaiting review by GFSM-Coordination team*

## Task Team 2

Discussion Note		Stage
2.8	Debt valuation issues	Ready for GFSAC review
2.9	Debt assumption and debt payments on behalf of others	Ready for GFSAC review
2.10	Valuation and recognition of loans	Drafting - reviewed by GFSM-Coord
2.2	Boundary between government-controlled nonmarket producers engaged in financial activities (government units) and public financial corporations	Drafting – 1 <sup>st</sup> version
2.11	Recording of provisions and contingent liabilities	Authors have initiated their work
2.12	Stock positions and related flows with the IMF and other regional / international organizations	Authors have initiated their work
2.15	Treatment of capital injections by government into corporations	Authors have initiated their work
2.4	Transactions of government with sovereign wealth funds (and similar)	Expected to start later in 2025
2.13	Equity for public corporations	Expected to start later in 2025
2.16	Treatment of privatization	Expected to start later in 2025

# Task Team 3

Discussion Note		Stage
2.18	Recording and valuation of infrastructure assets	Drafting – 1 <sup>st</sup> version
2.19	Accounting for natural resources and their exploitation in GFS	Drafting – 1 <sup>st</sup> version
2.20	Climate-sustaining and climate-damaging subsidies and other transfers	Drafting – 1 <sup>st</sup> version
2.26	Presentation of GFS flows related to natural resources	Not started

*\*A joint drafting team has been established with the SEEA team to prepare a scoping note. The secretariat will include the implications on GFS once note is finalized.*

# Task Team 4

Discussion Note		Stage
2.27	Relationship between GFS and IPSAS	Drafting – review by co-chairs and TT secretariat
2.29	Retained earnings of public corporations and their impact on fiscal analysis	Drafting – review by co-chairs and TT secretariat
2.30	Methodological guidance on compilation and analyzing SOE data	Drafting – review by co-chairs and GFSM-Coord
2.31	GFS within fiscal analysis and policymaking	Drafting – 1 <sup>st</sup> version
2.32	Balance sheet analysis	Drafting – 1 <sup>st</sup> version
2.24	A framework for the presentation of GFS metadata	Expected to start later in 2025 or early 2026
2.25	Communicating GFS to users	Expected to start later in 2025 or early 2026
2.28	Tax expenditures, tax deferrals, and other similar incentives	Expected to start later in 2025 or early 2026

# Questions?

- Any comments on third global consultation and the resultant NoDs?
- Any suggestions on how to maintain good response rates to future global consultations on the 32 DNs?
- Any comments or concerns regarding the TT plans to progress DNs (e.g. pace of advancement)?

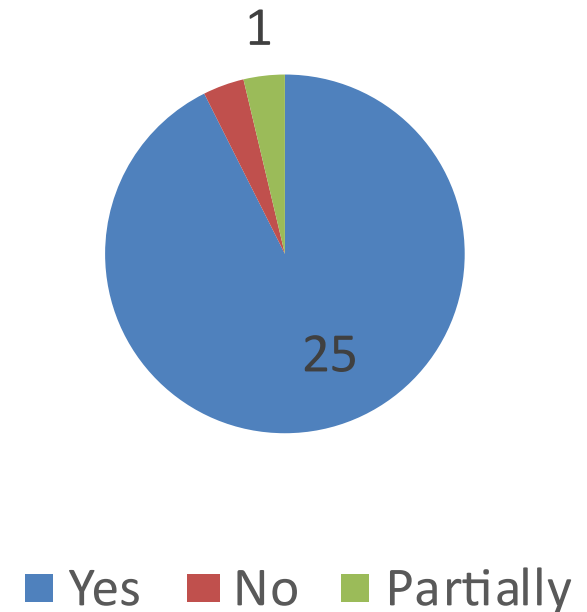


# **Annex 1: Detailed Changes to NoDs**

# PR 1.1 Valuation principles and methodologies

## Comments on practical application and consistency of language

- Use of “exchange values” consistently throughout the GFSM and not “exchange price”
- Need for careful guidance to ensure international comparability
- Future GFSM should be accompanied by practical application examples
- Risk of moving too far away from economic concepts to align more with accounting measurement



# PR 1.1 Valuation principles and methodologies

## GFS Notice of Decision:

The updated GFSM will incorporate a number of clarifications arounds valuation principles and methodologies, in line with the draft 2025 SNA and draft BPM7. In particular, these include:

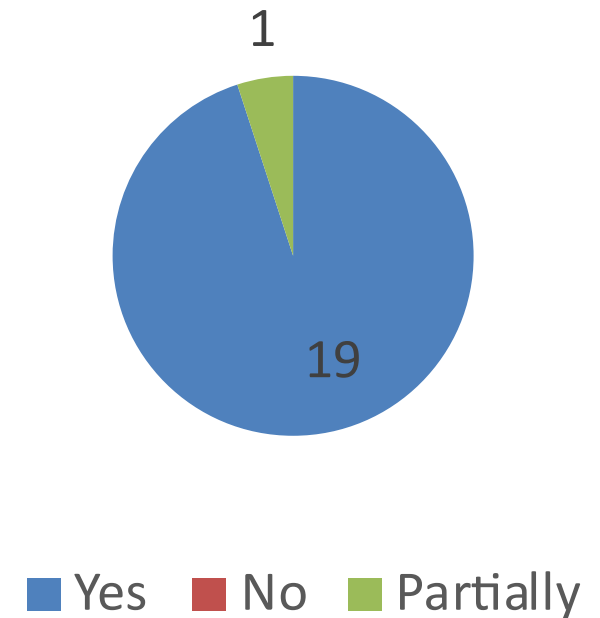
- Adopting the terminology of “exchange price” as the basis to determine “exchange values” to describe the principle for valuing **respectively** transactions and stocks positions, and will provide clarifications on the application of this principle in line.
- Clarifying the different methods for valuing transactions (and their order of preference).
- Explicitly reference the distinction between the initial recognition and subsequent measurement of stock/positions.
- Further clarify the valuation principles for valuing positions, in particular for nonfinancial assets where the notion of capital services needs to be introduced and elaborated.
- Clarify the application of the valuation principle for various assets, including for natural resources.
- Include a short summary of comparison of the valuation principles used in macroeconomic statistics with that used in business and public sector accounting.

...

# PR 1.3 Treatment of centralized currency unions in macroeconomic statistics

## Comments on clarification

- Include examples of centralized and decentralized currency unions
- Treatment of financial institutions resident in the currency unions other than central banks



# PR 1.3 Treatment of centralized currency unions in macroeconomic statistics

## GFS Notice of Decision:

The definition and description of a currency union in the GFSM 2014 (para. 2.21) will be updated to make a distinction between centralized and decentralized currency unions and align with the descriptions in the draft BPM7 (paras. 4.186-4.192) and the draft 2025 SNA (paras. 5.244-5.247). **Examples of decentralized currency unions (such as the Euro area) and centralized currency unions (such as in Africa and the Caribbean), will be included in the updated GFSM.**

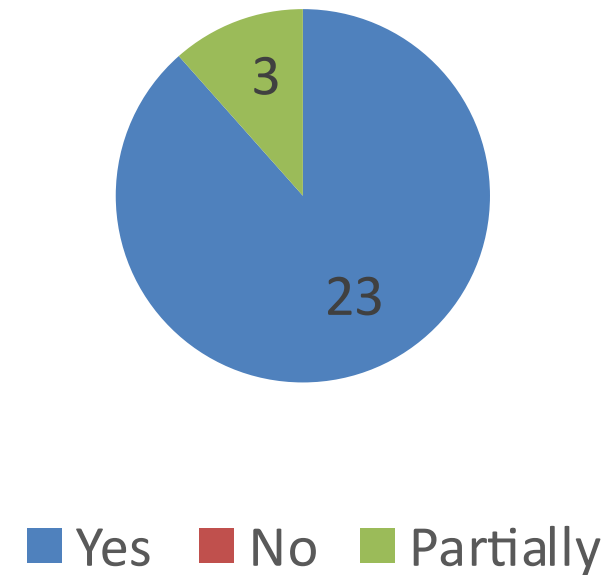
The definition of central banks in GFSM 2014 (para. 2.118) will be updated to reference central bank national agencies of centralized currency unions to align with the draft BPM7 (para. 4.125) and the draft 2025 SNA (para. 5.147).

Subsequently, Appendix 5 of the GFSM 2014 (paras. A5.32-A5.35) will be updated to align with these changes.

## PR 1.13 Financial derivatives by type

### Comments on clarification and data availability

- Further clarify the treatment of margins
- Limited data availability of proposed breakdowns



# PR 1.13 Financial derivatives by type

## **GFS Notice of Decision:**

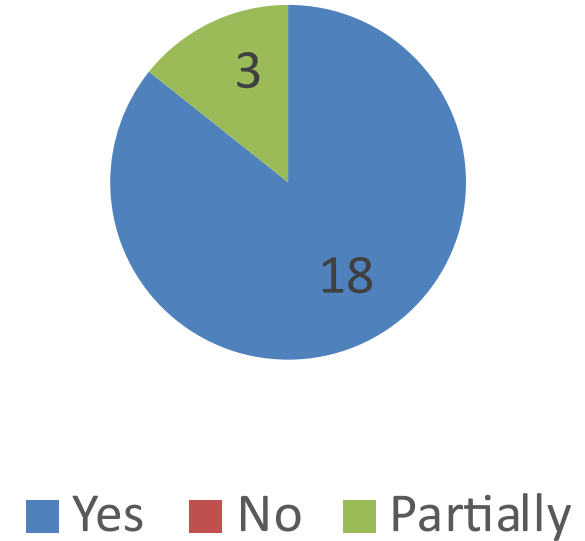
The updated GFSM 2014 will bring several key changes to align with the draft 2025 SNA on financial derivatives, specifically:

- It will introduce a more detailed classification of financial derivatives, breaking them down by market risk categories, types of instruments, and trading venues.
- New guidance will clarify how novation and portfolio compression should be recorded and reported, including eligibility, consent, and timing.
- The presentation of derivatives on the balance sheet will be updated, with clear rules for when to use gross or net reporting.
- The update will better distinguish between transactions and other flows related to derivatives, such as revaluations, and provide clear recording conventions and examples.
- Finally, it will review whether additional topics from the draft 2025 SNA on financial derivatives should be included, or if users should refer directly to the new SNA for further detail. (For example, margins).

# PR 1.16 Treatment of factoring transactions

## Comments on concepts and practical implementation

- Clarification on reserve as cash collateral
- Some skepticism with risk transfer under non-recourse factoring and recording of contingent liability
- Data availability and magnitude of factoring in government sector





# PR 1.16 Treatment of factoring transactions

## GFS Notice of Decision:

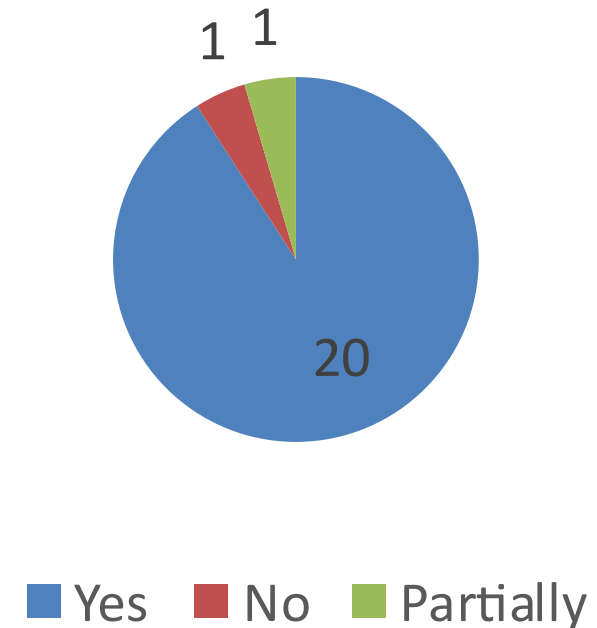
The updated GFSM will align with the draft 2025 SNA (paras. 7.195 and 12.87) on the treatment of factoring with and without recourse. Specifically, GFSM 2014 (para. 7.225 and footnote 64) will be updated to:

- Describe the nature of factoring and the two major types of factoring, specifying that the treatment applies to factoring intermediated by financial companies only.
- Record factoring with and without recourse as a loan between the factor and debtor, with the instrument reclassification recorded as a transaction and not an other volume change.
- Recognize for factoring with recourse, a contingent liability for the supplier—the contingency is therefore not recorded on the balance sheet unless activated by the factor—the activation of the recourse is recorded as a transaction.
- Record any reserves held by the factor as a deposit (if it is a liability of a deposit-taking corporation), or otherwise an other accounts receivable/payable. **Since such reserves are considered cash collateral, it will be noted that they are subject to the treatment of cash collateral as described in PR 1.15.**
- Record factoring income as a fee paid by the supplier. Clarification based on comment from ECB

# PR 1.26 Treatment of trusts and other types of funds as separate institutional units

## Comments on concepts

- Support for recommendations and decisions trees, with emphasis placed on allowing flexibility in application of guidance
- Concerns about conflating special-purpose funds with commercial investment vehicles and moving away from accounting standards
- Proposed recommendations focus on trusts of financial nature and not non-financial



# PR 1.26 Treatment of trusts and other types of funds as separate institutional units

## GFS Notice of Decision:

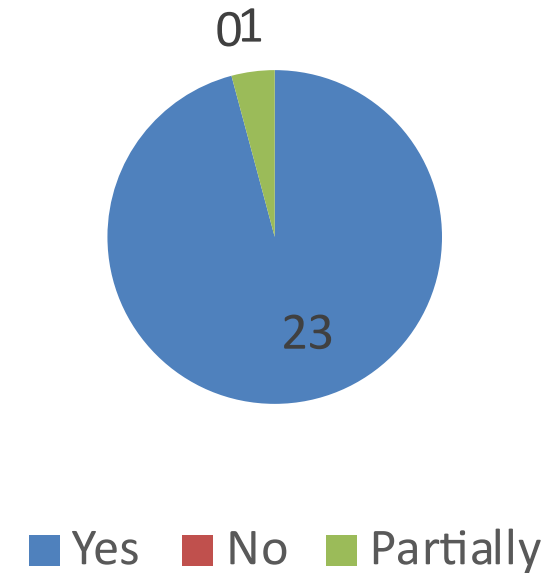
The updated GFSM will either adopt the language of the [draft 2025 SNA](#) wholly, or modify the text in *GFSM 2014* to align with clarifications made in the *draft 2025 SNA*. Specifically, the updated GFSM will:

- Explain the risks and rewards with respect to public trusts/funds and emphasize the importance of assessing who is exposed to the risks and rewards of the funds held within the trust / fund. Where the trustee/fund manager is not exposed to these, the funds should be consolidated with the investor / beneficiary, or where there are multiple investors / beneficiaries, be classified in a separate subsector of the **public** financial corporations, as relevant. **This could be explained using a decision tree** (See Figure 5.2 in the draft 2025 SNA).
- ...
- **Nonfinancial trust, such as, research trusts or emergency trust funds, are discussed under research project 2.6 Further defining and subclassifying extrabudgetary units.**

# PR 1.12 Reverse Transactions

## Comments on clarification and implementation

- Clarifications related to cash-collateral, crypto and gold swaps
- Inclusion of worked examples
- Data availability



# PR 1.12 Reverse Transactions

## GFS Notice of Decision:

To provide additional and concise clarification and references regarding reverse transactions (RTs), and to maintain consistency with the [draft 2025 SNA](#) and [draft BPM7](#) on the treatment of interest under RTs and the treatment as negative assets of short (negative) positions generated by on-selling. Specifically, the updated GFSM will:

- Adopt the definition of RTs as contained in the Glossary of System of National Accounts terms and definitions;
- Align to the treatment of interest under RTs as described in the *draft 2025 SNA* (para. 8.125);
- Align to the treatment of short (negative) positions as described in the *draft 2025 SNA* (para. 12.83);
- Ensure the consistent treatment of reverse transactions in line with *draft 2025 SNA* paras. 12.80-12.85 and GFSM Update research projects 1.15 (treatment of cash collateral); **1.18 (the recording of crypto assets in macroeconomic statistics)**; 1.13 (financial derivatives by type); and 1.16 (treatment of factoring transactions);
- **Inclusion of one or more worked examples to support the updated guidance on the treatment of RTs.**

# **Annex 2: Task Team Members**

GFS Compilation Issues (TT1)	Debt and Other Monetary and Financial (TT2)	Environmental (TT3)	Fiscal Analysis and Communication (TT4)
<b>Co- Chairs:</b> Camila Hernández Villamán Andrew Howie	<b>Co- Chairs:</b> Carolina Cabañas-Leòn <b>Jim Ebdon</b>	<b>Co- Chairs:</b> Tom Orford Alessandra Alfieri (IMF)	<b>Co- Chairs:</b> Ian Carruthers Florian Chatagny
<b>Members:</b> <b>Galina Braverman</b> Lukas Reiss Katherine Mills Roderick O'Mahony <b>João Carlos Fonseca</b> Diana Vargas Artur da Silva Santos Geraldine Kyalo Bocar Ka Irina Dubinina Abdullah Alhaji Alghali Simon Koller Rita Mesias (IMF)	<b>Members:</b> <b>Rasa Jurkoniene</b> Valentina Cammarano Wilfried Gustave Bassole Marc Wermuth Ingelia Puspita <b>João Carlos Fonseca</b> Jonathan Dawson Mike Seiferling Jane McNamara Francesco Vercelli Lizanias Liranzo Quezada Fernando Ferraz Tony Fong Ethan Weisman Emmanuel Manolikakis (IMF) Rubena Sukaj (WB) Venkat Josyula (IMF) Bidisha Das (IMF)	<b>Members:</b> Bram Edens Ilaria Di Matteo Sjoerd Schenau Ahmed Ali Al Abdouli Gary Jones Vitor Fabel Arturo de la Fuente Jean-François Fortin Hennie Swanepoel Floris Jansen Carl Obst Sven Kaumanns Joe St Lawrence (IMF) Foyzunnesa Khatun (IMF)	<b>Members:</b> Ethan Weisman <b>Marcel Mukeshimana</b> <b>Mei Ling Tjung</b> Lindy Bodewig <b>Jim Ebdon</b> Mohd Hassan Ahmad <b>Dane Mead</b> Eduard Moskalenko Isabel Rial Filipe Moraes Luis Reyes
<b>Secretariat:</b> Phil Stokoe (IMF) Emmanuel Ramathuba (IMF)	<b>Secretariat:</b> Naoto Osawa (IMF) Imad Khanchaoui (IMF)	<b>Secretariat:</b> Sagé De Clerck (IMF) Justine Ayebare (IMF)	<b>Secretariat:</b> Bruno De Rocha (IMF) Foyzunnesa Khatun (IMF)

*Members highlighted in **Yellow** are GFSAC Members.*