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**GOVERNMENT FINANCE**

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**STATISTICS MANUAL 2001**

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**COMPANION MATERIAL**

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**INSTRUCTIONS FOR  
COMPILING THE INSTITUTIONAL TABLE**



**JUNE 2005**

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Table of Contents	Page
I. Overview .....	3
A. Mode of Reporting.....	3
B. Target Date for Reporting.....	3
C. Contact Details for Assistance.....	3
II. Compiling the Institutional Table.....	4
A. Units of General Government.....	4
B. Data Coverage.....	6
C. Accounting Practices .....	6
D. <i>GFSM 2001</i> Implementation.....	7

## I. OVERVIEW

The Institutional Table describes the institutional structure of general government in a country reporting data for inclusion in the IMF's *Government Finance Statistics Yearbook (GFS Yearbook)*. It also provides information on the coverage of the data in the corresponding Statistical Tables and other metadata, such as the accounting practices underlying the data and plans for the implementation of the *GFSM 2001*. **For those countries that have not yet reported an Institutional Table, detailed compilation guidelines are presented in below.**

### A. Mode of Reporting

In reporting the Institutional Table for the 2005 *GFS Yearbook*, **countries are encouraged to:**

- Use the **Integrated Correspondence System (ICS)**. To be designated an ICS Correspondent for GFS reporting, please contact the IMF Statistics Department, at [icsinquiry@imf.org](mailto:icsinquiry@imf.org).

Alternatively, you may:

- Send an E-mail to [stagodata@imf.org](mailto:stagodata@imf.org) containing the Word file (Institutional Table) or,
- **Mail diskettes** containing the relevant Word file (Institutional Table) to the IMF Statistics Department, 700 19<sup>th</sup> Street N.W., Washington, D.C., 20431, U.S.A.

After the electronic files are returned to the IMF, they will be reviewed. If any problems are identified, they will be queried and should be resolved before the data can be published.<sup>1</sup>

### B. Target Date for Reporting

The GFS correspondent in each country is requested to compile—or update—the information in the Institutional Table, as well as the 2005 *GFS Yearbook* Questionnaire Statistical Tables, and **return the electronic files to the IMF's Statistics Department no later than July 31, 2005.**

### C. Contact Details for Assistance

In order to facilitate GFS reporting, the IMF Statistics Department offers its assistance through electronic correspondence with the GFS compiler. Please do not hesitate to contact us at [stagodata@imf.org](mailto:stagodata@imf.org), or **facsimile number +1 202 623 6012**, should any assistance in completing the Institutional Table be required.

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<sup>1</sup> GFS correspondents are strongly encouraged to provide a contact e-mail address when they submit their data.

## II. Compiling the Institutional Table

The purpose of the **Institutional Table** is to provide information about the structure of general government in the reporting country, the coverage of the government finance data, the accounting practices, and information about the status of *GFSM 2001* implementation.

The enclosed diskette includes two Word files: one containing a template for completing an Institutional Table, and one containing your country's existing Institutional Table, which should be updated, as relevant. **The codes, e.g., “;a” or “;b”, shown at the beginning of each heading, are for the IMF’s publication formatting purposes and should not be deleted.**

Countries that report data for publication in the 2005 *GFS Yearbook* are requested to either:

- Update the Institutional Table, as necessary and using the existing Institutional Table (World file); or
- Complete the Institutional Table, using the template provided, if no Institutional Table currently exists.

The different sections of the Institutional Table are described below.

### A. Units of General Government

This section of the Institutional Table describes the institutional structure of general government. A reference number should be assigned to each unit or group of units or entities listed. Please note that, under each section, units or entities are listed alphabetically.

The general government sector consists of all government units and all nonmarket nonprofit institutions that are controlled and mainly financed by government units. In the GFS system, provision is made for three main subsectors (or levels) of government: central; state (provincial or regional); and local. While some countries have all three subsectors; many have only a central government, or central government and local government subsectors.

The central government subsector is a large and complex subsector in most countries. It is generally composed of a central group of departments or ministries. Any central government entity that is fully covered by the central government budget is part of the “budgetary central government” in the *GFS Yearbook*. Other entities or units that are part of the central government are either social security or extrabudgetary central government. These entities or units are operating under the authority of the central government but are not (fully) covered by the central government budget.

#### Central Government Units Covered by the Budget (Subsector 1)

This subsector lists all central government entities covered by the central government budget, i.e., the budgetary central government. The following are typical examples of budgetary central

government entities: courts of law, ministries, departments, and parliament. The budgetary central government may also include central government boards, commissions or central government agencies. **Please list only the major budgetary central government entities.**

### **Central Government Units with Individual Budgets (Subsectors 2 and 3)**

These subsectors list units or entities (**extrabudgetary entities or units and social security units, respectively**) that operate under the authority of the central government but are not (fully) covered by the central government budget (“budgetary central government”). Typically, these units or entities have individual budgets, and their own-revenue sources may be supplemented by grants (transfers) from the budgetary central government or from other sources.

**Please list each extrabudgetary entity or unit, and each social security unit, as relevant. If no extrabudgetary entities or units and/or social security units exist in your country, please enter “not applicable.”**

### **State Governments (Subsector 4)**

This subsector lists all state, regional or provincial governments in a country. **If this level of government does not exist, please enter “not applicable.” Otherwise, please list the number of states (or provinces or regions), for example: 9 states or 5 provinces.**

A state, province, or region is the largest geographical area into which the country as a whole may be divided for political or administrative purposes. The legislative, judicial, and executive authority of a state government extends over the entire area of an individual state, which usually includes numerous localities, but does not extend over other states. To be recognized as a government unit the entity must be able to own assets, raise funds, and incur liabilities on its own account, and it must also be entitled to spend or allocate at least some of the taxes or other income that it receives according to its own policies. The entity may, however, receive transfers from the central government that are tied to certain specified purposes. A state government should also be able to appoint its own officers independently of external administrative control. If a government entity operating in a state is entirely dependent on funds from the central government, and if the central government also dictates the ways in which those funds are to be spent, then the entity should be treated as an agency of the central government. (See *GFSM 2001*, Chapter 2, para. 2.51–2.54)

### **Local Governments (Subsector 5)**

This subsector lists all local governments in a country. **If this level of government does not exist, please enter “not applicable.” Otherwise, please list the number of each of the various types of local governments, for example, 10 municipalities, 4 major city councils, and 5 village councils.**

The legislative, judicial, and executive authority of local government units is restricted to the smallest geographic areas distinguished for administrative and political purposes. The scope of a local government’s authority is generally much less than that of the central or state governments,

and such governments may or may not be entitled to levy taxes on institutional units or economic activities taking place in their areas. They are often heavily dependent on grants from higher levels of government, and they may also act as agents of central or state governments to some extent. To be treated as institutional units, however, they must be entitled to own assets, raise funds, and incur liabilities by borrowing on their own account. They must also have some discretion over how such funds are spent, and they should be able to appoint their own officers independently of external administrative control. (See *GFSM 2001*, Chapter 2, para. 2.51–2.54.)

## B. Data Coverage

This section of the Institutional Table lists the general government units, based on the above description of the institutional structure of general government, that are covered in the GFS data reported in the Statistical Tables. This is done by using the reference numbers assigned to each unit or group of units or entities listed. For example, suppose the following are the only central government units/entities in a country:

*Subsector 1: Budgetary central government*

1.1 Ministries, parliament, presidency.

*Subsector 2: Extrabudgetary units/entities:*

2.1 Autonomous government agencies (7)

2.2 Education Fund

2.3 Environment Protection Fund

2.4 Road Fund

2.5 Universities (10)

Suppose further that the data in the Statistical Tables do not cover the operations of those entities or units listed under 2.1, 2.3 and 2.5. The **description of the central government data coverage** will then be as follows:

“Central government data cover the operations of units 1.1, 2.2, and 2.4.” **The same should be done for the state governments’, and local governments’ data, as applicable.**

In addition to notes on data coverage, this section of the Institutional Table describes the reasons for all breaks, if any, in the data series (breaks are indicated by the symbol † in the hard copy publication of the *GFS Yearbook*). For example:

“† Starting in 2003, all general government data are on an accrual basis. Data prior to 2003 are on a cash basis.”

## C. Accounting Practices

This section provides two types of information on the accounting practices underlying the GFS:

- **Liquidation or complementary period** refers to a period, after the end of the fiscal year, in which that year’s accounts remain open to record transactions that took place after the fiscal

year-end. Typically, a liquidation or complementary period is two or three months. **Please indicate, if a liquidation or complementary period exists, its length and to which level(s) of government it is applicable. If it does not exist, please enter “not applicable.”**

- The **valuation of assets and liabilities** subsection describes the valuation method(s) applied to the stocks of assets and liabilities in the balance sheet. According to the *GFSM 2001*, in general, all assets and liabilities should be valued at market prices. It is therefore necessary to indicate any departures from valuation at market prices. **Please indicate, as relevant, where the valuation method of assets and liabilities in the balance sheet departs from the *GFSM 2001* methodology.** For example, liabilities are valued at face value. **If no balance sheet data are reported, please enter “not applicable.”** NOTE: Please ensure that the accounting method(s) used have been entered on the cover page of each questionnaire (i.e., on the second sheet of the Excel file).

#### **D. *GFSM 2001* Implementation**

This section should provide a brief description (about 160 words or less) of the *GFSM 2001* implementation status and plans of your country. If a country plans to migrate to the *GFSM 2001* (or has already started doing so), **please indicate the main steps of the plan and their target dates.** If a country has not yet developed plans to migrate to the *GFSM 2001*, **please enter “No plans to migrate to *GFSM 2001*.”**

Implementation of the *GFSM 2001* can take numerous forms and will depend on each country's circumstances. For countries that have data only on a cash basis, a first step could be to reclassify these data in the *GFSM 2001* framework. Introduction of accrual reporting can take the form of either (i) the implementation of ad hoc adjustments to the cash data (for example, the recognition of in-kind transactions and the accrual of interest) or (ii) the implementation of accrual accounting for the source data.