



**STATISTICS**

# **Process and Timeline for Updating the GFSM 2014**

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**GFSAC/04/24/05**

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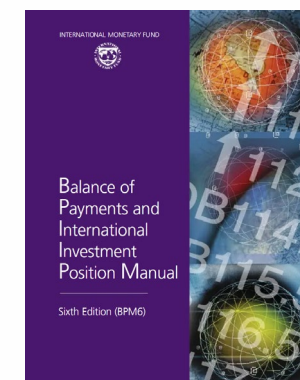
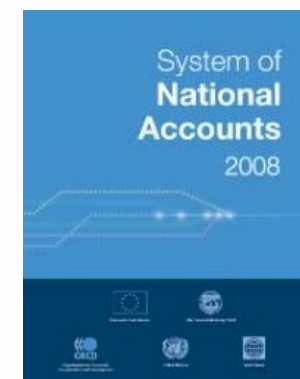
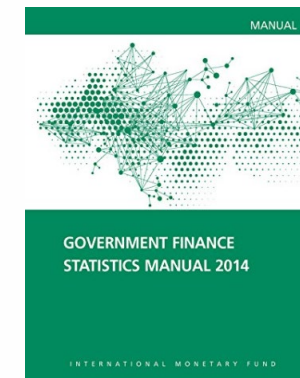
# Recap from March meeting

## Key Points:

- The GFSM update will not change the purpose of GFSM as a framework for fiscal statistics compilation and analysis. User needs and harmonization will be paramount.
- GFSAC members broadly supportive of overarching process, with some suggestions for consideration around sequencing and prioritization of research topic groups, as well as drafting.
- GFSAC members stressed the importance of communication and outreach.
- Paper on process and timeline to elaborate on process.

# Recap: Context for Updating the GFSM 2014

- **Updates to the 2008 SNA and BPM6** were launched in March 2020 and are expected to conclude in March 2025.
- Although many issues relevant to GFS were progressed through the updates to the 2008 SNA and BPM6, **many GFS-specific issues remain.**
- A fast-evolving global economy requires **sound methodological guidance** to facilitate the provision of better data to support analysis and evidence based-decision making.
- Important to consider **update of GFS relevant standards (e.g., MFS, COFOG, SEEA CF)**, which are launching in 2024 with a similar timeline to that proposed for updating the *GFSM 2014*.
- Against this background, an **update to the GFSM 2014** is a logical next step.



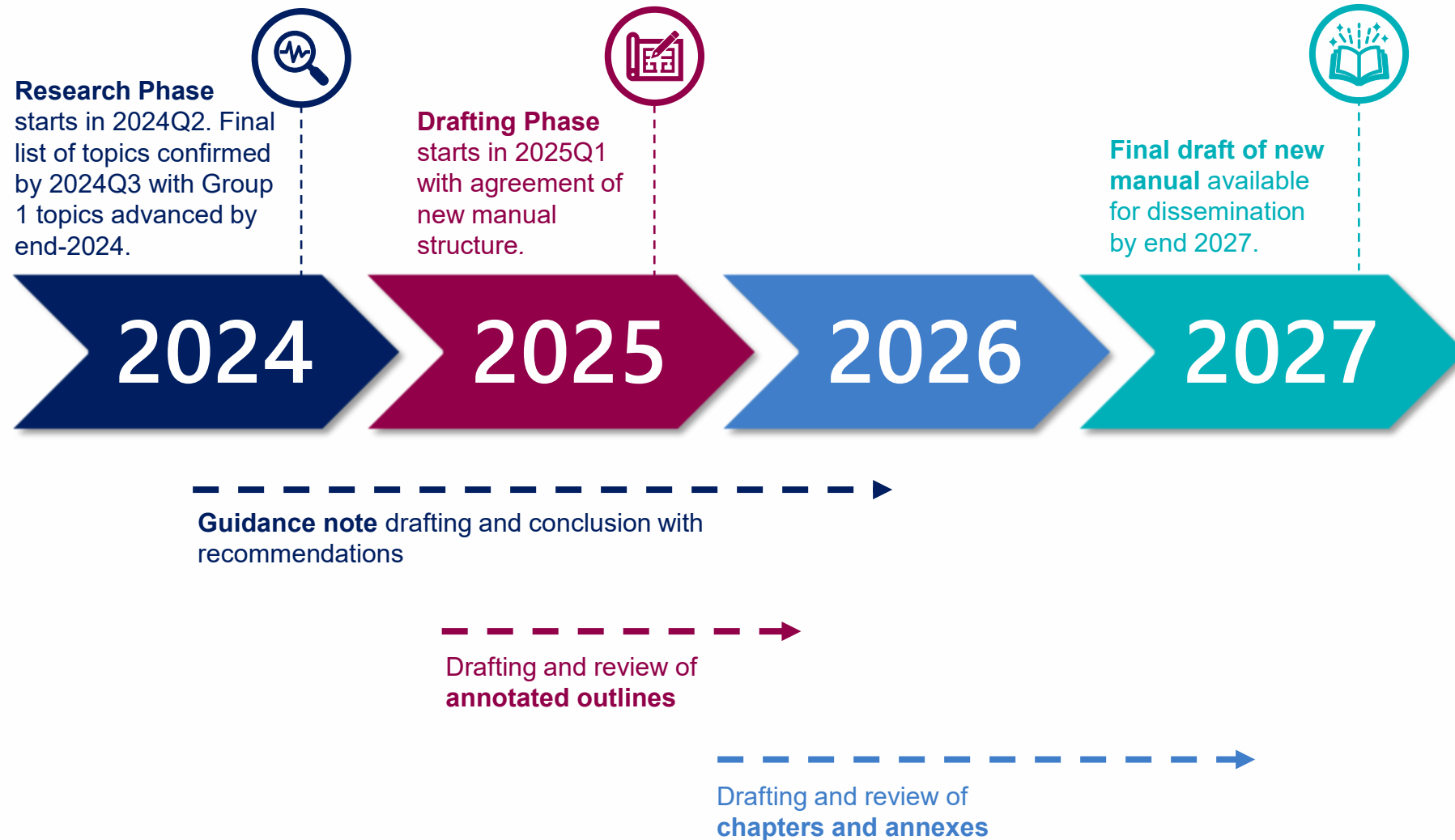
# Recap: Alignment between the SNA / BPM and GFSM

- GFSM and SNA **aligned on key concepts** and accounting rules of macroeconomic statistics – important to maintain this alignment.
- SNA provides the basis for many areas of GFSM, but not all.
- For **fiscal reporting and analysis purposes**, GFSM provides additional, or sometimes different, guidance.
- Many issues resolved during SNA and BPM updates – as such, research topics will be divided into two groups:
  - **Group 1:** GFS relevant topics already advanced through updates to 2008 SNA and BPM6 (*development of GN not required*)
  - **Group 2:** GFS-specific topics (*GFS-only implications or SNA/BPM issues requiring further GFS elaboration – GN required*)
- The possibility of **joint chapters** between GFSM and other relevant standards will be investigated.

# Recap: Governance

- **IMF Statistics Department (STA)**
  - IMF is the owner and custodian of the GFSM.
  - IMF Chief Statistician and Director of the Statistics Department will approve the new version.
- **GFSAC**
  - Provide advice on the process and timeline for updating the GFSM 2014;
  - Provide advice to the IMF Statistics Department and Task Teams on the scope and technical aspects of the update to the GFSM 2014; and
  - Endorse GNs, recommendations, and changes to the GFSM 2014.
- **The GFSAC Secretariat**
  - GFSAC Secretariat is part of the Government Finance Division of STA and will be responsible for project managing and coordinating the update process.
- **Task Teams:**
  - Provide key technical input into the update through development of GNs and recommendations; and
  - Report to GFSAC.
- Engagement and buy-in from the wider **GFS community** will be critical to the update process.

# Overview of Proposed Timeline

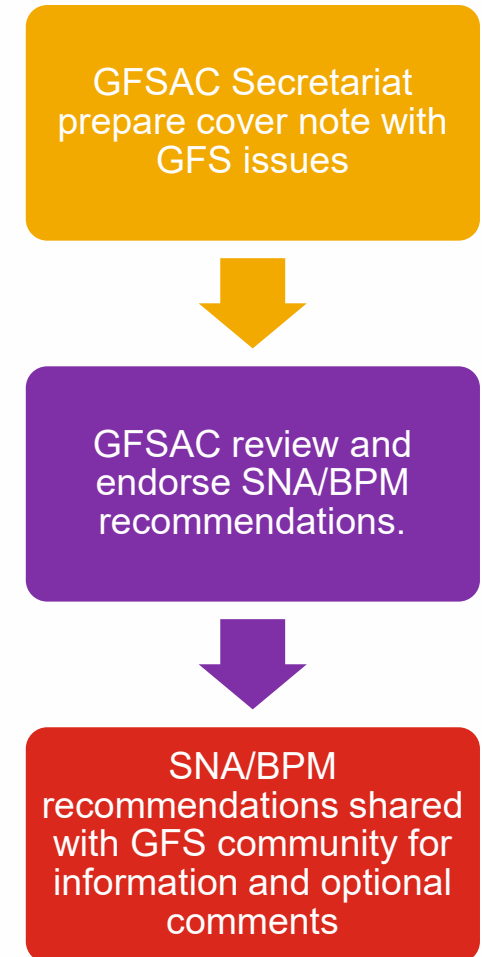


# Phase I: Research

## Advancement of Group 1 Topics

- Most research related to **Group 1** topics already completed by SNA and BPM Task Teams → lighter touch approach possible
- No guidance note (GN) required – instead GFSAC Secretariat prepare very brief cover notes highlighting GFS implications of the recommendations agreed during the SNA and BPM update process, from a compilation and fiscal analysis perspective.
- Given importance of statistical harmonization, GFSAC to simply review and endorse SNA/BPM recommendations for inclusion in the updated GFSM.
- SNA/BPM recommendations and GFS implications shared with GFS community.
- If during this process significant and material GFS concerns are raised then, by exception, the topic might be considered for inclusion in the Group 2 topics

### Group 1 topics



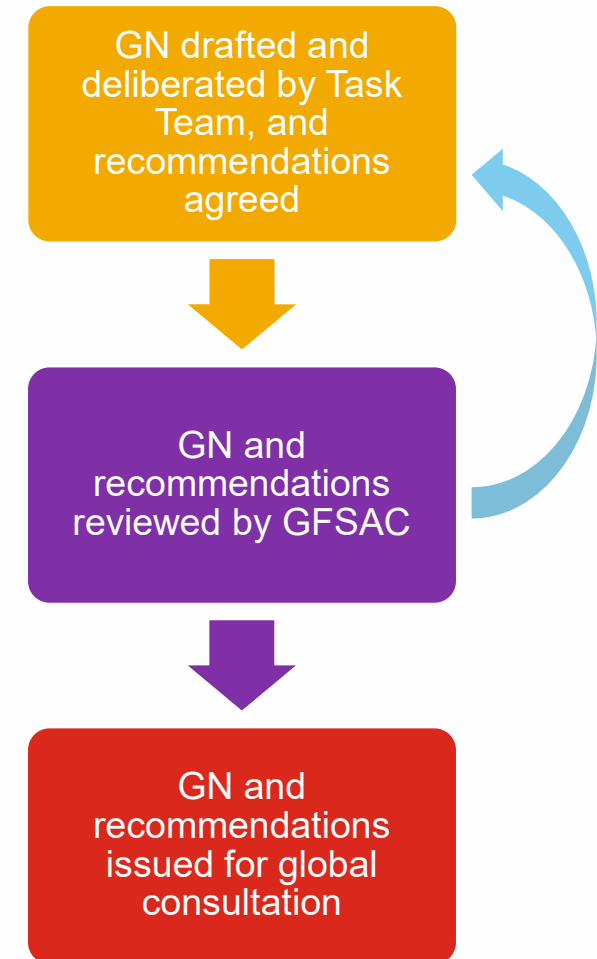


# Phase I: Research

## Advancement of Group 2 Topics

- **Group 2** focuses on GFS-specific issues i.e. GFS-only implications or SNA/BPM issues requiring further GFS elaboration → GNs required.
- GNs drafted by Task Teams should clearly state issue, present options for resolution and impacts on GFS and other statistical domains.
- GFSAC will review recommendations from Task Teams and endorse for global consultation (following current written process).
- If at the start, or during this process, it is identified that the topic does not merit a full guidance note then it may be moved to the Group 1 topics
- **Research concludes with set of agreed recommendations.**

### Group 2 topics



# Phase I: Research Timeline

- Begins with identification of **research topics**:
  - GFSAC endorsed list will go for global consultation in 2024Q2
  - Consideration will be given as to whether some Group 2 topics might move to Group 1
  - Final expected by 2024Q3, prioritization and GN drafting timetable
- Process for **Group 1** topics is expected to be complete by time of 2025 SNA and BPM7 publication
- **Task Teams** (*for group 2 topics*) to be established as soon as list finalized – currently four are proposed: GFS Compilation Issues, Debt and other Monetary and Financial Topics (with MFS experts), Environmental Topics (with SEEA-CF experts), Fiscal Analysis and GFS Communications Issues (*more information in Session 4*). Will be open to non-statisticians.
- Drafting of **guidance notes** proposed to take place during 2024Q3 – 2026Q2 i.e. 2 years. Concluding with a set of recommendations.

## Phase II: Drafting

**Based on recommendations from the research phase, a drafting team to be responsible for drafting chapters and annexes of the new GFSM, while a lead editor will be responsible for overall consistency.**

- Outline of the structure of the new GFSM to be endorsed by the GFSAC prior to drafting.
- Annotated outlines to be prepared in line with endorsed structure – structure of new GFSM and annotated outlines to be shared for global consultation and finalized.
- Drafting of preliminary version to use tracked changes to show amended text (*incl. minor clarifications not discussed in GNs*).
- A lead editor will be needed to ensure consistency of language throughout the new manual.
- GFSAC will review the final version prior to formal approval by IMF's Chief Statistician.

# Feedback from GFSAC on initial proposals

- **Received 11 written responses**
- **Timeline:** broad support for proposed timeline with acknowledgement that it may also be influenced by the final list of research topics and vice versa
- **Task Teams:** general agreement on having four task teams, but dependent on final list of research topics and need to co-ordinate with other manual update efforts.
- **Alternative suggestions:**
  - To create a simplified process for some of the Group 2 research topics classified as “clarifying”, where they could follow the lighter-touch Group 1 process.

# Questions and discussion

**Do you have any comments or suggestions on the following elements of the proposed update process?**

- The approach to advancing Group 1 topics?
- The approach to advancing Group 2 topics?
- The timeline?
- The approach to drafting?
- Anything else?

# **Annex:**

## **Timeline for updating the GFSM 2014**

Activity	Responsible Parties	Timeframe	2024				2025				2026				2027			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Finalize procedure and timetable for the update of the GFSM 2014.	GFSAC	2024 Q1 - Q2																
Publication of updated SNA and BPM		2025 Q2																
<b>Phase I: Research</b>																		
Identification of research topics to be included as part of GFSM update.	GFSAC, IMF Staff	2024 Q1 - Q2																
List of research topics to be endorsed by the GFSAC for global consultation.	GFSAC	2024 Q2																
Global consultation of the proposed research topics to be included as part of the GFSM update.	GFSAC, IMF Staff	2024 Q2																
Establish GFS Task Teams (including chairs, membership and terms of reference).	GFSAC, IMF Staff	2024 Q2 - Q3																
Finalize list and organization of research topics, as well as timeline of activities related to each research topic.	GFSAC, IMF Staff, Task Teams	2024 Q3																
Advancing of Group 1 topics ( <i>drafting cover notes and sharing with GFS community for information, after GFSAC endorsement</i> ).		2024 Q2 - Q4																
Drafting of guidance notes (Group 2), discussions and consultation. Concluding with a set of agreed recommendations.	GFSAC, IMF Staff, Task Teams	2024 Q3 - 2026 Q4																
<b>Phase II: Drafting</b>																		
Agree broad structure of new GFSM, indicating where changes would be incorporated.	GFSAC, IMF Staff, Task Teams	2025 Q1 - Q2																
Drafting of annotated outlines of chapters and annexes incorporating updated guidance.	IMF Staff, Task Teams	2025 Q3 - Q4																
Global consultation of annotated outlines.	IMF Staff	2025 Q4 - 2026 Q1																
Update and finalization of annotated outlines.	IMF Staff, Task Teams	2025 Q4 - 2026 Q1																
Drafting of individual chapters and annexes of the preliminary version of the new manual.	IMF Staff, Task Teams	2026 Q1 - Q4																
Discuss and endorse preliminary versions of chapters and annexes of the new manual.	GFSAC	2026 Q3 - 2027 Q2																
Global consultation of preliminary versions of chapters and annexes of the new manual.	IMF Staff	2026 Q3 - 2027 Q2																
Editing and preparation of near-final draft of the new manual.	IMF Staff, Task Teams	2027 Q1 - Q2																
Discuss and agree final version of the new manual.	GFSAC, IMF	2027 Q2 - Q3																
Formal approval by IMF's Chief Statistician.	IMF	2027 Q4																
Final draft available for dissemination.	IMF	2027 Q4																