Sources and methods

The presentation in Section 1 is mainly based on the "OECD Economic Outlook No. 91", *OECD Economic Outlook: Statistics and Projections* (database) (OECD, 2012b), and uses OECD definitions of general government balance and gross debt which may differ from national definitions (see Box 2.1). For the EU countries, gross debt is also presented according to the Maastricht criteria.

In Section 2 of each country note, Table 1 presents the figures behind the charts. The charts present data from the OECD Fiscal Consolidation Survey 2012 (named "Plan 2012") that are compared to data from "Restoring Public Finances" (OECD, 2011a) (named "Plan 2011"). Section 2 is based on information from the national authorities (or publicly available information) which may use other definitions of fiscal balance and gross debt than the OECD in Section 1. For example, most EU countries have reported such figures on a Maastricht basis. The information is mainly based on sources available before the end of March 2012; however, data published in April are taken into account mainly for some countries under distinct market pressure which had not adopted the 2012 budget before the survey deadline. Actual figures on fiscal balance and gross debt of EU countries are updated according to Eurostat's news release of 23 April 2012 (Eurostat, 2012).

In Section 3, expenditure reduction measures are split between operational and programme measures and other initiatives. Revenue enhancement measures are listed without fixed categories. Table 2 summarises the government's specific consolidation measures and their impact. The impact is given in local currency and in per cent of nominal GDP, calculated by the OECD Secretariat by using nominal forecasts of GDP reported by the national governments. Eventual pension reforms are also included in this section.

Box 2.1. **OECD and Maastricht definitions of general government debt**

Debt is consolidated within the general government. Financial liabilities such as trade credits extended to the government are not included. Debt is valued at nominal value (face value). Index-linked debt is valued at its face value adjusted by the index-related capital uplift accrued to the end of the year.

Gross debt according to the Maastricht criterion differs from the SNA-based (System of National Accounts) general government gross financial liabilities concept of the OECD in essentially two respects:

- First, gross debt according to the Maastricht criterion does not include, in the terminology of the SNA, trade credits and advances.
- Second, there is a difference in valuation methodology in that government bonds are to be valued at nominal values according to the Maastricht definition, but at market value or at issue price plus accrued interest according to SNA rules.

Source: OECD (2010), *OECD Economic Outlook: Sources and Methods*, OECD Publishing, *www.oecd.org/eco/sources-and-methods.*


Restoring Public Finances, 2012 Update
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