

# Intra-annual fiscal data for general government

This document is a description of the intra-annual fiscal data for general government. It is a descriptive methodological reconciliation table in a format given by the Council Directive 2011/85/EU. The description is split by sub-sector; central government, local government and social security funds. State government do not exist in Sweden.

Fiscal data for central government and social security funds is published monthly and for local government quarterly. Monthly figures should be published at the end of the following month at the latest and quarterly figures should be published before the end of the following quarter. Due to benchmark revisions all years can be revised.

## Central government (sub-sector S.1311)

Central government comprises departments of government administration and other central government agencies, authorities and institutions whose jurisdiction covers the entire economic territory, apart from the administration of the social security sector. Concerning education, the central government is responsible for the so called special needs schools in Sweden; The Swedish Sami Schools; and the major part of the universities.

Medical care and hospitals are not included in the central government, instead they are included in the local government. In Sweden, there are about 215 main units, central government authorities, included in the central government. In addition, units mainly financed or non-profit institutions controlled by central government are included in central government as well and are called other central government bodies.

The responsible authority in Sweden regarding collecting information from central government units is The Swedish National Financial Management Authority (ESV). ESV is responsible for collecting, compiling and publishing monthly fiscal budgetary data for central

government. ESV is also responsible for collecting data from central government units used as the main data source in national accounts.

**The primary source used**

The central government budget is approved by the parliament, and consists of revenues and expenditures. All transactions affecting the balance are defined as either part of revenues or part of expenditures of the central government. The balance is the difference between total revenue and total expenditure. The total balance is cash based and calculated by the Swedish National Debt Office (SNDO) as part of their managing of the Swedish National Debt.

**Whether any accounting standards are used**

The total balance is also presented as *Working balance* in Excessive Deficit Procedure (EDP) required by the European Commission. Working balance is compiled based on the following element:

Primary balance (all central government current revenues and payments)

+ Net lending (authorities and government owned corporations borrowing at the SNDO)

= Primary borrowing requirement

+ Interest (interest payments on the central government debt)

Net borrowing requirement = Working balance

**The estimation/imputation techniques used**

No estimations or imputations in the main source for budget balance exist. The monthly fiscal budget figures are based on recorded cash data.

**Revision policy for the budgetary accounting source**

Regulations of the central government budget are stipulated in the Form of Government chapter 9, 1-10 §§. Additional regulations are specified in the Budget Act (2011:203).

The working balance is published on a monthly basis by the SNDO and is available t+6 days. The annual figures for the working balance can be revised before the annual report of SNDO is published on 22 of February every year. The annual report of SNDO is audited by the National Audit Office and the report of the audit is published no later than 22 of March.

**The methodology used to convert the data into quarterly ESA data**

The following description shows the conceptual process of going from the cash based working balance of the Swedish central government budget to net lending/net borrowing of the central government sector.

### **1 Working balance**

The starting point is the working balance of the central government budget. The budget is approved by the parliament, and consists of revenue and expenditure. The balance is the difference between total revenue and total expenditure. All transactions affecting the balance are defined as either part of revenues or part of expenditures.

To obtain the cash based budget balance there are two cash correction items included in the budget. One is part of the tax revenue, which of course is the main part of the budget revenue. This item “differences in payments” adjusts the accrual tax revenue to net payments. The other cash correction item is placed among expenditure items, although it is used as an adjustment from total accrual or modified accrual revenue and expenditure to net cash balance. Total balance thus is cash based, calculated by the SNDO as part of their managing of the Swedish National Debt.

### **2 The process of calculating net lending/net borrowing**

The actual calculation of net lending/net borrowing in national accounts is made using information given by 215 central government agencies through the reporting codes (S-codes) used for providing information to the central government accounting system, part of the government’s information system Hermes. The S-codes are constructed in order to bear all necessary information for the national accounts for central government as well as for the drawing up of the consolidated financial statements, the balance sheet and the income statement, in the Central Government Annual report.

The S-codes being constructed with this purpose; the major part of the information reported by the 215 agencies can be used as it is directly into the different items of the national accounts. The main part of the practical work carried out by the Swedish statistical authorities is therefore quality assurance and reconciliations as well as corrections of errors that are found to be necessary. But, there are also several adjustments needed to obtain income and expenditures corresponding to the national accounts regulation – European system of accounts ESA 2010. These include, for example, recalculation of tax revenue taking into account central government units outside the legal entity “the state” as well as adjustments needed as a result of that pure information obtained by data from S-codes do not correspond to requested definitions in national accounts.

The actual calculation of net lending/net borrowing (ESA transaction code B.9) is, with this background, not a process of transforming the cash balance to B.9, but instead using the S-codes and adjusting the information in order to follow the ESA 2010 regulation. Several quality controls and reconciliations are made on a regular basis.

Despite this, the following description is conceptual, describing the difference between the cash balance and the B.9. It includes both the steps in the process automatically handled through the S-codes and those handled through manual adjustments.

Since the central government is strictly divided into revenue and expenditure, the description is also made for revenue and expenditure separately. The difference between these two constitutes the B.9.

### **3 Calculating revenue**

Budget revenues mainly consist of taxes, where the total tax revenue is cash based. The rest is other revenues, including both sales revenue, transfers from the European Union (EU), financial transactions and other "revenue" not fulfilling the definitions of revenue according to the ESA 2010 regulations.

#### *Tax revenue*

The tax revenue is calculated in a model for tax revenue used by the ESV forecasting department and in the Ministry of Finance. This model allocates the tax revenue to the period when it is earned or the taxable event occurs. Until the assessment of taxes is finalized, about a year and a half after the current year, forecasts are used. For the calculation of tax revenue in the national accounts, the net tax payments recorded in the budget is replaced with the calculated revenue for the year. For an individual quarter or month, the value added tax and other taxes that can be assessed monthly, are calculated based on information from the Swedish Tax Agency where information on tax returns are available. For income taxes for households and corporations, assessed only annually, the calculation for a year is based on actual payments and forecasts, which are allocated to quarterly data.

The difference between the calculated tax revenue for a specific period and the net payments of tax revenue will constitute a change in payables and receivables for taxes in the financial accounts.

#### *Other revenue*

From the part Other revenue, different budget items are deducted.

### **4 Financial transactions**

Financial transactions are deducted. These include repayments of loans, income from sales of fixed assets and equity, transfers of surpluses from certain units within government, loans received, net settlements under swap and FRA contracts and other financial transactions.

### **5 Extra ordinary dividends**

Extra ordinary dividends from government owned corporations (shown separately here, since it is a separate step in the working process) are

also deducted from the payments of dividends, i.e. are instead financial transactions.

#### **6 EU transfers**

Transfers from the EU are deducted. These are cash flows from the EU used to finance transfers to farmers and other recipients of transfers from the EU. The corresponding transfers to farmers and others are deducted from the budget expenditure, see item 13 below. The payments from the EU are normally made later than the payments to ultimate recipients. If these two cash flows, in and out, do not occur during the same period the difference will constitute a change in receivables (or payables).

#### **7 Time of recording**

Accrual adjustments are made, including changes in receivables and changes in payables for other revenue than taxes. Mainly trade credits and advances.

#### **8 Other revenue adjustments**

Other revenue reported by agencies but not included among budget revenue headings is added. This includes mainly sales income and transfers allowed to be used directly by the central government agencies without being explicitly shown on the budget (see cash correction item below).

#### **9 Other budget adjustments**

Other budget items not being revenue according to ESA 2010 regulations are deducted.

#### **10 Other central government bodies**

Revenue in units outside the legal definition of central government and outside the budget, but inside the definition of central government according to ESA 2010 regulations, so called other central government bodies is added. The delimitation of government is not only based on the criteria non-market producer. The main criteria refer to government control, while the market/non-market test should only be used as a complement when deciding sector classification. At the time of implementing ESA 2010 an additional number of central government corporations was reclassified into central government sub-sector in the national accounts. However, none of them are included in working balance and therefore presented as other central government bodies.

The total expenditure in the Swedish central government budget consists of 27 expenditure areas together with the net lending of the SNDO and a cash correction item.

#### **11 The cash correction item**

To go from cash based budget balance to B.9 the so called cash correction item is eliminated. This item includes payments of revenue and expenditure influencing the cash based budget balance but not financed with budget appropriations or recorded on budget revenue

headings. Based on information from the S-codes these expenditures and revenues are then added to the budget expenditure and revenue (see 7 above). The cash correction item also includes financial transactions which also are excluded.

#### **12 Net lending of the SNDO**

The net lending of SNDO has nothing to do with B.9, but is a net of cash flows from increase/decrease of deposits and loans granted/repaid in the central government internal bank, a system primarily intended to provide the government agencies with cash. Most transactions within this budget item are internal and will be automatically eliminated within the budget, but some are financial transactions in the central government sector in national accounts, e.g. loans granted/repaid to/from units not inside the central government sector according to ESA 2010 definitions. These items are deducted.

#### **13 EU transfers**

Transfers financed from the EU are deducted (see item 6 above). Adjustment for difference in timing of the payment of the GNI fee is made. The difference occurs when the required fee from the European Commission is not the same as the amount lifted from a designated account for the GNI fee within the SNDO. The difference for a specific period constitutes a change in payables in the financial accounts.

#### **14 Time of recording**

Accrual adjustments are made. Differences between interests paid/received influencing the budget item interest on national debt (a net), and the accrued interest according to ESA 2010 regulations are added to either the revenue or the expenditures in the non-financial accounts. Other accrual adjustments including changes in payables and changes in receivables are made, which are mainly trade credits and advances.

#### **15 Other central government bodies**

Expenditure in units outside the legal definition of central government and outside the budget but inside the definition of central government according to ESA 2010 regulations, so called other central government bodies, is added. These units are financed with at least 50 percent from the central government budget or are central government non-profit institutions. To be able to compare the budget balance and the figures in B.9 for other central government bodies the amounts received by the government has to been taken into account and have to be deducted. In national accounts and in B.9 the full amount of both revenues and expenditures are included compared to the budget balance that only contain transfers and appropriations financed directly by the central government budget. For more information, see item 10 above.

#### **16 Other expenditure adjustments**

Other specific adjustments based on ESA 2010 regulations not part of any of the above mentioned adjustments.

- ⇒ The difference between the adjusted revenue and expenditure constitutes the B.9.

The only supplementary information for central government, not based on the data from ESV, is the calculated and estimated values by SCB e.g. FISIM, own produced software, leasing, consumption of fixed capital and investment income attributable to collective investment fund shareholders. Concerning annual calculations at the most detailed statistical level (divided by products, industry, counterpart, COFOG etc.) supplementary figures are collected from other sources both within and outside SCB. However, the total amount for each transaction is based on the overall figure in the primary source.

The first published figures are preliminary and are replaced by more accurate figures in the final annual calculation. The final annual compilation concerning year  $t$  is presented and published in May  $t+2$  and included in the EDP October notification  $t+2$ . Especially for taxes the first estimates are based on forecasts that are later replaced by actual outcome from the Tax Agency. Taxes are finalized in national accounts in spring year  $t+2$ .

**The following adjustments are made by SCB after receiving the dataset from ESV as a last transformation to fulfil the requirements in ESA 2010.**

**Income (referring to ESA 2010 transaction codes)**

D.2: Adjustment for emission permits to be recorded at the time of surrender the permit, instead of cash recording. Renewable energy scheme is rerouted thru central government in national accounts. Both are compiled by SCB and sent to ESV which include them into their data source.

D.4: Supplementary information concerning UMTS licenses and local radio fee recorded as rent and investment income attributable to collective investment fund shareholders. Extra ordinary dividends are already excluded in the data source and are reported separately for EDP and financial accounts.

D.5: No adjustments except a split on counterpart.

D.6: No adjustments. SCB send data to ESV which include it in the data source.

D.7: A few items are recorded as current transfers in the data source but are instead capital transfers based on ESA definitions and are reclassified as D.9.

D.9: The items reclassified from D.7 above are recorded as D.9.

**Expenditure (referring to ESA 2010 transaction codes)**

D.3: A few items are recorded as subsidies on production in the data source but are instead current transfers based on ESA definitions and are reclassified as D.7. As a result of lack of reliable quarterly accrual information for some other items, redistribution between quarters is made. Renewable energy scheme is rerouted thru central government in national accounts.

D.4: Counterpart information from general pension funds (S.1314) is used to record interest paid from central government to social security funds, to be able to consolidate D.4 regarding general government.

D.6: A few items are recorded as social benefits in the data source but are instead current transfers based on ESA definitions and are reclassified as D.7.

D.7: Adjustments corresponding to other mentioned adjustments as reclassification from D.3, D.6 and from/to D.9.

D.9: The items reclassified from D.7 to D.9 above are recorded here.

P.3: No adjustments , but some additional information (se P.51G).

P.51G: No adjustments, but supplementary information from other sources for own produced software, leasing and some redistribution between quarters.

P.51C: No adjustments (primary source is SCB, not ESV).

P.52: No adjustments

NP: No adjustments

Concerning imputed social contributions SCB compile investment income payable on pension entitlements (D.442) and households' social contribution supplements as well as adjustment of the change in pension entitlements (D.8). SCB send figures on a quarterly basis to ESV who include it in the ordinary data source.

**Description of sources, transition methodology and revision policies for alternative primary source used**

Quarterly data collection directly from other central government bodies has developed during the last years and is now in place. For the major part, monthly estimates is therefore from year 2017 onwards, based on more updated quarterly information. Still, for a limited number of small units information is collected annually from official annual reports (profit and loss account) and not through the electronic transmission to ESV via the S-codes. Until information from annual reports are available some parts are estimated with forecasts.

### Revision policy for national accounts

The revision policy is published, in Swedish, on SCB:s website:

[https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02\\_revideringspolicy\\_engelsk-oversattning\\_nr0103\\_1.pdf](https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02_revideringspolicy_engelsk-oversattning_nr0103_1.pdf)

Quarterly revision policy for non-financial accounts:

	Current quarter	Revisions
February year t	Quarter 4 year t-1	Quarter 1-3 year t-1 Quarter 1-4 year t-2*
May year t	Quarter 1 year t	Quarter 1-4 year t-1 Quarter 1-4 year t-2 (final)
August year t	Quarter 2 year t	Quarter 1 year t Quarter 1-4 year t-1 Possible benchmark revision
November year t	Quarter 3 year t	Quarter 1-2 year t Quarter 1-4 year t-1

\* Revision relates to the Tax Assessment, which is published in December each year by the Tax Agency referring to data for previous year.

Final annual accounts referring to year t is published in May year t+2. However, a preliminary annual calculation concerning previous year is published in November each year (year t+1 referring to year t), because annual sources become available in late summer and autumn. This preliminary calculation, i.e. half-finalized, is also split by classification of the function of the government (COFOG).

In non-financial accounts major revisions occur approximately around every fifth year. In case of an extra ordinary need of revisions back in time, for example as result of developments outside or within Excessive Deficit Procedure, the non-financial sector accounts for general government can be revised regarding transactions that not affect GDP in August every year. Hence, net lending/net borrowing in Sweden can be revised more frequently compared to GDP.

### Local government (sub-sector S.1313)

The local government sub-sector comprises of municipalities, regions and municipal associations as well as the Swedish Association of Local Authorities and Regions (SALAR). Also non-profit institutions controlled and chiefly financed by local authorities are included in local government as well as local government corporations classified inside local government.

In Sweden, there are 290 municipalities, 183 municipal associations, 20 regions, 144 local government owned corporation and a number of other unit classified inside local government. This methodological

description is divided into two parts, the first (a) concerning municipalities and the second (b) referring to regions.

**(a) Municipalities**

**The primary source used**

**The Quarterly survey for municipalities**

A quarterly survey for municipalities is the main data source for calculations of net lending/net borrowing of municipalities. This survey is compiled and produced by the public finance unit at SCB. The quarterly survey is a sample survey and includes 84 largest municipalities in terms of population on last December year t-1. A national total is estimated based on the sample survey. The estimates are calculated by projecting the values from the annual survey using the trend from the collected units.

The quarterly survey is not as detailed as the annual accounts for municipalities, but it covers total income and total expenditure. It consists of three parts; revenues, expenditures and investments. The quarterly survey is available approximately 35 days after the end of the current quarter and is based on the accounting plan for municipalities.

**Annual statement of account for municipalities**

The main data source for calculation annual accounts for municipalities is the Annual statement of account for municipalities, which are compiled and produced annually by the public finance unit at SCB. The Annual account for municipalities is completed approximately six months after the end of the year and is a total survey covering all 290 municipalities of Sweden. Nonresponse is unusual, but when it occur, it is compensated for by an estimation based on the population size. Each variable is summed and then divided by the number of inhabitants for the incoming municipalities. The national total is reached by multiplying the calculated average values by the total number of inhabitants for all municipalities.

In quarterly accounts, the annual statement of accounts for municipalities is used for estimation. See more below.

**Annual statement of accounts for municipal association**

Annual statement of accounts for municipal association contain economic data from all municipal associations. The purpose of the study is to provide reliable information about the associations' economy, current situation and development. The statement is used as the basic source for the estimation of values on a quarterly basis.

**Municipal and regions owned corporations income statement and balance sheet**

The municipal corporations' income statement and balance sheet (KOREBA) is both annual and quarterly collection survey of the financial data for the municipal companies corporations included in

local government, that are part of the municipal administration. Income statement is collected on an annual basis, while the balance sheet is collected both annually and quarterly.

### **The methodological adjustments to convert raw data into national budgetary accounting**

Data reported in the quarterly survey is based on the accounting plan for municipalities "Kommun Bas":

<https://skr.se/ekonomijuridikstatistik/ekonomi/redovisning/kommunbas.24254.html>

The data is available by unit and by category of transactions.

### **The estimation/imputation techniques used**

A national total is estimated based on the sample survey. Estimates are calculated for municipalities not included in the survey. The estimates are calculated by projecting the values from the annual survey (the annual statement of accounts) using the trend from the collected units. In Sweden there are three large municipalities who are not representative for the smaller municipalities. Therefore, their collected value is not included in the base of the estimates. A value for each passed quarter is collected together with a forecast for the year.

First, a growth ratio is calculated on every item for the collected municipalities by dividing the sum of the forecast of the year divided by the sum of the same items from the last annual survey. A sum, per item, for all municipalities (except for the three largest) from the last annual survey is then calculated. After that, that sum is multiplied by the growth ration and the three largest municipalities are added. Finally, the annual value for each item is divided by its quarterly share.

Nonresponse is unusual, but when it occur, non-responding municipalities are treated in the same way as those not included in the survey. In quarterly accounts for municipal associations last annual survey values are used. The quarterly values are calculated by projecting the values from the annual survey. Personnel costs are projected using the trend from the quarterly survey LAPS (Gross pay, payroll taxes and preliminary tax from employers monthly tax returns). Other values which are a part of consumption expenditure and investments are projected by using the trend of municipalities purchasing of services from municipal associations from the quarterly survey of municipalities.

In quarterly accounts for municipal corporations classified inside local government, data from the annual accounts previous year, divided by four, are used as an estimation except for the transactions that are part of consumption expenditure. These transactions are projected in the same way as for the municipal associations on quarterly basis. For the

annual accounts, data is based on information from KOREBA and annual reports.

**Revision policy for the budgetary accounting source**

No official revision policy occurs but municipalities are able to change previous quarters of the current year.

**The methodology used to convert the data into quarterly ESA data**

Net lending/Net borrowing (B.9) is based on data from quarterly survey and is replaced with the data about income taxes and government grants from the Swedish National Financial Management Authority (ESV). The data collected from the quarterly survey is linked to the transactions in national accounts. The level of detail in codification enables distinction between non-financial and financial flows in most cases.

The following items explain the difference between working balance from quarterly survey and B.9.

**Other source grants**

The working balance includes accrual based government grants to the municipalities. Cash based government grants are also provided to SCB by ESV. The official source used in national accounts, is data from ESV because the figures are more detailed and correspond to the requirements in the regulation ESA 2010.

The difference between government grants from the ESV and those from the quarterly survey lead to adjustments in B.9.

**Other source income taxes**

The main source for income taxes is the figures from the Swedish Tax Agency via ESV. Until final outcome from Tax Assessment is available, forecasts made by ESV are used and then replaced by the final outcome. Final taxes in national accounts are presented in spring year t+2 referring to year t. The difference between income taxes from the ESV and those from the quarterly survey lead to adjustments in B.9.

**Gross fixed capital formation**

Gross fixed capital formation (investments) is not a part of the income statement but a part of net borrowing / net lending. Total investments consist of all kind of investments, like investments in buildings, machinery etc.

**Investments grants and capital transfers**

Investment grants from the state to the municipalities are collected in the quarterly survey. Remaining investment grants and capital transfers need to be estimated since quarterly data are missing. This is done by using previous year's data divided by four.

**Co-financing referring to infrastructure**

Municipalities can choose if their contribution to national infrastructure is going to be recorded as an operating expense directly (in the profit and loss statement) or if they want to spread the amount over a number of years and record it in the balance sheet. In national accounts, data from the Swedish transport administration are used, which are the actual payments they have received from the municipalities, and therefore a difference between data sources is observed.

**Changes in holiday pay liabilities**

In the overall balance, total salary costs are included. These salary costs include costs for holiday pay, which is salary earned in another period. Because these costs refer to another time period they have to be adjusted in the non-financial accounts and B.9.

**Extra ordinary dividends**

Extraordinary dividends from municipal corporations are deducted from the dividends reported in the quarterly survey, as it is reported instead as a financial transaction.

**Retained earnings attributable to collective investment fund shareholders**

Retained earnings from funds not distributed to the municipalities but reinvested in the fund, are counted in the national accounts as a real transaction and added to the net borrowing/net lending.

**Interest income / expenses from swaps**

Interest income and expenses from swaps are deducted from the interest rates reported in the quarterly survey because they are reported in the national accounts as a financial transaction.

**Interest expenses on pension liabilities**

In the national accounts, households' investment income on defined-benefit pension liabilities is reported as the increase in the present value when the payout comes closer. In the municipal accounts, the investment income is reported including indexation of pension debt, where indexation is not seen as a real transaction in the national accounts. The investment income is therefore calculated separately in the national accounts, thus creating a difference to the quarterly outcome.

**Revision policy for national accounts**

The revision policy is published, in Swedish, on SCB:s website:

[https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02\\_revideringspolicy\\_engelsk-oversattning\\_nr0103\\_1.pdf](https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02_revideringspolicy_engelsk-oversattning_nr0103_1.pdf)

Quarterly revision policy for non-financial accounts:

	<b>Current quarter</b>	<b>Revisions</b>
February year t	Quarter 4 year t-1	Quarter 1-3 year t-1

		Quarter 1-4 year t-2*
May year t	Quarter 1 year t	Quarter 1-4 year t-1 Quarter 1-4 year t-2 (final)
August year t	Quarter 2 year t	Quarter 1 year t Quarter 1-4 year t-1 Possible benchmark revision
November year t	Quarter 3 year t	Quarter 1-2 year t Quarter 1-4 year t-1

\* Revision relates to the Tax Assessment, which is published in December each year by the Tax Agency referring to data for previous year.

Final annual accounts referring to year t is published in May year t+2. However, a preliminary annual calculation concerning previous year is published in August and also in November each year (year t+1 referring to year t), because annual sources become available in late summer. The first preliminary calculation in August is compiled on more aggregated level compared with the calculation in November made on more detailed level and includes split by classification of the function of the government (COFOG).

In non-financial accounts major revisions occur approximately around every fifth year. In case of an extra ordinary need of revisions back in time, for example as result of developments outside or within Excessive Deficit Procedure, the non-financial sector accounts for general government can be revised regarding transactions that not affect GDP in August every year. Hence, net lending/net borrowing in Sweden can be revised more frequently compared to GDP.

## **(b) Regions**

### **The quarterly survey for regions**

The quarterly survey for regions is the main source of the calculations of net lending/net borrowing (B.9) of regions. It is a total survey covering all 20 regions, and is compiled and produced by national accounts division at SCB. The quarterly survey covers total income and total expenditure. It consists of three parts: revenues, expenditures and investments and is available approximately 35 days after the end of the current quarter.

For the quarterly calculations of the corporations (hospitals), which according to ESA 2010 is a part of the regions sub-sector and classified inside local government, a simplified version of the quarterly survey for regions is used. Data are collected directly from the five corporations and Region Stockholm. Other quarterly figures are estimated based on previous year divided by four. Annual data are based on values from

surveys such as the Structural Business Statistics and KOREBA, supplemented with data from the corporation's annual reports.

**The methodological adjustments to convert raw data into national budgetary accounting**

The data reported in quarterly survey is based on the accounting plan for Regions called Region-Bas 2021 and upcoming Region-Bas 2022:

<https://skr.se/ekonomijuridikstatistik/ekonomi/redovisning/lbas.24246.html>

No adjustments are needed.

**The estimation/imputation techniques used**

Imputation is used only when there is partial nonresponse for some variable, the growth ratio for previous quarter is then used as an approximation.

**Revision policy for the budgetary accounting source**

No official revision policy occur but regions are able to change previous quarters of the current year.

**The methodology used to convert the data into quarterly ESA data**

B.9 is based on data from a quarterly survey. However, corresponding to the recording for municipalities, income taxes and government grants are replaced by figures from ESV. The data collected from the quarterly survey is linked to the transactions in national accounts. The methodology used to convert the data into quarterly ESA data is the same as for municipalities; please see above in the second last part of section (a).

**Revision policy for national accounts**

The same as for municipalities, please see above in the last part of section (a).

## **Social security funds (sub-sector S.1314)**

The sub-sector social security funds includes all public sector institutional units whose main activity consists of administrating funded social insurance systems. The institutions included in the sub-sector are the five Swedish National Pension Funds (so called AP-funds), as well as holding companies own and controlled by the funds, and the Swedish Pension Agency. The Swedish Pension Agency is the unit managing the social pension system. The National Pension Funds are responsible of managing funded assets and creating a return of these funded means, i.e. are buffer funds in the Swedish pension system. The Premium Pension scheme is, due to an EU decision, classified in the financial corporation sector, except the part regarding traditional premium pension which are included in social security funds.

**The primary source used**

Fiscal budgetary monthly data are based on two different data sources. The first is a monthly survey where figures are collected from the five pension funds. SCB and the national accounts department is responsible for collecting data through the survey. The second is figures from the Swedish National Financial Management Authority (ESV).

The monthly survey contains information from the pension funds and includes information about interest, dividends and total expenditures excluding paid pensions (which are received from the other data source). The monthly survey is a smaller version of the ordinary quarterly survey used as one of the main data sources for the quarterly national accounts, both non-financial and financial accounts. Figures are therefore reported both on a monthly basis and on a quarterly basis.

For the Swedish Pension Agency, as well as inflows and outflows in the pension system, the data source is ESV who is the responsible authority in Sweden concerning collecting data for quarterly and annual non-financial accounts for central government. Total revenues and expenditures for the Swedish Pension Agency are based on monthly reported figures from the central government budget corresponding to the figures for other central government units recorded within central government sub-sector. From a legal point of view, the Swedish Pension Agency is a central government unit but in the economic statistical system and in national accounts the authority is included in the social security funds sub-sector.

Regarding inflows and outflows in the pension system figures are based on recorded revenues in form of pension fees (social contributions) and paid pensions (social benefits). All of these transactions are recorded at the Swedish Pension Agency and reported on a monthly basis to ESV.

**Whether any accounting standards are used**

All units are covered and the accounting basis is mainly cash, both concerning revenues and expenditures at the pension funds and all amounts recorded at the Swedish Pension Agency. No further adjustments are made on a monthly basis but errors made by the data suppliers that can be verified by other data sources or by quarterly figures ex post, are adjusted.

**The estimation/imputation techniques used**

No supplementary data sources are used. However, comparison with quarterly and annual figures are made on a regular basis. For example, the National Pension Funds' annual reports are used for comparisons and verification as well as comparison with national accounts.

**Revision policy for the budgetary accounting source**

No official revision policy occur for the monthly fiscal budgetary data but both the Swedish Pension Agency and the pension funds are able to correct errors or mistakes in previous reporting.

**The methodology used to convert the data into quarterly ESA data**

Net lending/Net borrowing (B.9) is based on data from different data sources similar to the fiscal budgetary data. B.9 is compiled by SCB and the data source contain of two main parts.

The first is data for the Swedish Pension Agency collected by ESV. ESV delivers the figures to SCB on a detailed level, items divided into different types of revenues and expenditures. Based on the information from ESV, SCB compiles B.9 for the Swedish Pension Agency and merges it together with the result for the pension funds similar to the process with the fiscal budgetary figures. The information from the Swedish Pension Agency, via ESV on a quarterly basis, are however recorded based on ESA 2010 and are recorded on an accrual basis.

The second part relates to the five pension funds. The data consists of figures from a quarterly questionnaire, annual reports and data from ESV. Data from the quarterly survey, on an aggregated level, are compared with data from the annual reports. Comparisons between non-financial and financial accounts are also carried out systematically. Transactions collected from the quarterly questionnaire are compensation of employees, interest (both debit and credit) and distributed income. Transactions collected from ESV are social contributions (pension fees), social benefits (paid pensions) and other current transfers from central government. Figures from the annual reports are used as a verification of the two other data sources and as supplementary information concerning intermediate consumption and sales. In addition, figures for investment income payable on pension entitlements, investment income attributable to collective investment fund shareholders, gross fixed capital formation, consumption of fixed capital and FISIM are compiled at SCB and included in non-financial accounts and indirectly in B.9.

**Description of sources, transition methodology and revision policies for alternative primary source used**

No supplementary data sources are used. The main data sources are ESV concerning the Swedish Pension Agency and inflows and outflows in the pension system and the quarterly survey for the five pension funds.

**Revision policy for national accounts**

The revision policy is published, in Swedish, on SCB:s website:

[https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02\\_revideringspolicy\\_engelsk-oversattning\\_nr0103\\_1.pdf](https://www.scb.se/contentassets/66e9dae3a5d94bf8b4c299ce25294348/02_revideringspolicy_engelsk-oversattning_nr0103_1.pdf)

Quarterly revision policy for non-financial accounts:

	<b>Current quarter</b>	<b>Revisions</b>
February year t	Quarter 4 year t-1	Quarter 1-3 year t-1 Quarter 1-4 year t-2*
May year t	Quarter 1 year t	Quarter 1-4 year t-1 Quarter 1-4 year t-2 (final)
August year t	Quarter 2 year t	Quarter 1 year t Quarter 1-4 year t-1 Possible benchmark revision
November year t	Quarter 3 year t	Quarter 1-2 year t Quarter 1-4 year t-1

\* Revision relates to the Tax Assessment, which is published in December each year by the Tax Agency referring to data for previous year.

Final annual accounts referring to year t is published in May year t+2. However, a preliminary annual calculation concerning previous year is published in November each year (year t+1 referring to year t), because annual sources become available in late summer and autumn. This preliminary calculation, i.e. half-finalized, is also split by classification of the function of the government (COFOG).

In non-financial accounts major revisions occur approximately around every fifth year. In case of an extra ordinary need of revisions back in time, for example as result of developments outside or within Excessive Deficit Procedure, the non-financial sector accounts for general government can be revised regarding transactions that not affect GDP in August every year. Hence, net lending/net borrowing in Sweden can be revised more frequently compared to GDP.