



# MALAYSIA

## TECHNICAL ASSISTANCE REPORT— GOVERNMENT FINANCE STATISTICS MISSION AND PRECEDING REMOTE SUPPORT

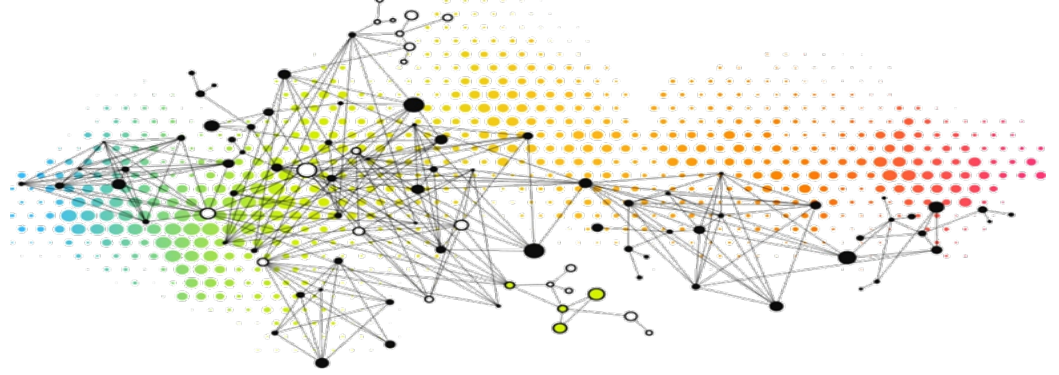
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2019

## REPORT ON THE GOVERNMENT FINANCE STATISTICS TECHNICAL ASSISTANCE MISSION AND PRECEDING REMOTE SUPPORT (MARCH 4–8, 2019)

Prepared by Hendrik Tillmann-Zorn

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# CONTENTS

Glossary	3
<b>SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS</b>	<b>4</b>
<b>DETAILED TECHNICAL ASSESSMENT AND RECOMMENDATIONS</b>	<b>6</b>
A. Compilation of Budgetary GFS from Accrual Accounting Data	6
B. Expansion of Institutional Coverage	7
C. Consolidation	12
D. Consistency of Investment Data	13
<b>TABLES</b>	
1. Priority Recommendations	6
2. Recommendations for Budgetary Central Government GFS	7
3. Data Availability for GFS with Expanded Coverage	9
4. Recommendations for GFS/PSDS of the Public Subsectors	11
5. Preliminary Assessment of Consolidation Options	13
6. Recommendations on Investment Data Consistency	14
<b>APPENDICES</b>	
I. Officials Met During the Mission	15
II. Comparison of Investment Measures	16
III. Updated Results-Based Management Framework	18

## Glossary

AG	Accountant General
BCG	Budgetary Central Government
COA	Chart of Accounts
COFOG	Classification of Functions of Government
DOSM	Department of Statistics Malaysia
FPO	Fiscal Policy Office
GFCF	Gross Fixed Capital Formation
GFS	Government Finance Statistics
<i>GFSM 2014</i>	<i>Government Finance Statistics Manual 2014</i>
MOF	Ministry of Finance
NA	National Accounts
NFPC	Nonfinancial Public Corporations
PSDS	Public Sector Debt Statistics
TA	Technical Assistance

## SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS

**1. A technical assistance (TA) mission was conducted by Mr. Hendrik Tillmann-Zorn, an IMF short-term Government Finance Statistics (GFS) expert, during the period of March 4–8, 2019, to support the Malaysian authorities in improving GFS for decision making.** The mission was prepared through a remote support mission in the period December 17–22, 2018. The missions were part of the second three-year GFS capacity development project funded by the Government of Japan (JSA).<sup>1</sup> The mission met with officials from the Ministry of Finance (MOF), the Department of Statistics Malaysia (DOSM), and the Accountant General's (AG) Department. The mission would like to thank the staff of the national institutions for their courtesy and willingness to share their knowledge with the mission. It is especially grateful to the staff of the MOF for their assistance in organizing the mission (see Appendix I for the list of officials met during the mission).

**2. The mission was a follow-up to GFS TA missions in 2013 and 2018, and a workshop in 2017, conducted by the expert.** This mission's focus was to assist the authorities to prepare accrual-based GFS for the budgetary central government from the accounting system. The mission also undertook important steps towards broadening the sectoral coverage of GFS and Public Sector Debt Statistics (PSDS) to the consolidated central government, general government and nonfinancial public sector level. Efforts were also undertaken to strengthen the collaboration between the MOF and the DOSM to improve data consistency between different statistical publications, with emphasis on public investment data.

**3. The mission achieved significant progress with respect to the development of a budgetary central GFS compilation system based on primary accrual accounting data.** Building on preparatory work undertaken during preceding missions, the final steps towards bridging the accrual-based Chart of Accounts (COA) towards GFS classification have been completed. The mission, together with the authorities, successfully developed a compilation sheet to facilitate the largely automated compilation of a comprehensive set of GFS tables from the system.<sup>2</sup> Test GFS tables for (preliminary) 2018 annual data<sup>3</sup> have been prepared and flow classifications have been verified and quality checked (see Attachment I—BCG GFS Compilation incl. Bridge Table (Draft Annual 2018 Data)). When the final accounts become available (expected after 2019: Q1), a limited number of final checks and adjustments will be required to confirm the integrity of the recording and the balancing of the accounts. Following these checks, accrual-based GFS data will likely be ready for internal analytical use.

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<sup>1</sup> The project objectives are described in the results-based management framework (see Appendix III).

<sup>2</sup> The statement of sources and uses of cash as well as COFOG coding will be implemented at a later stage.

<sup>3</sup> Since at the time of the mission, the December accounts were not yet closed and some opening balances were not final, the balancing of the GFS framework could not yet be assessed.

**4. The mission also achieved significant progress with respect to the expansion of sectoral coverage of GFS and PSDS to other sectors.** Following up on prior missions and building on the preceding remote support, the mission together with the MOF team classified existing survey data to GFS codes where possible. A revision of the respective surveys for extrabudgetary units, subnational governments, and nonfinancial public corporations was discussed and developed. For extrabudgetary central government and local government, draft GFS tables covering the statement of operations with data from 2018 were successfully compiled. For public corporations, the implementation of a revised survey (planned for 2019: Q2) is necessary before GFS tables can be compiled. The survey data for state governments requires additional analytical work, yet given the limited fiscal risk involved in the sector, a (partially pragmatic) integration to compile consolidated general government GFS is deemed feasible soon.

**5. The mission continued to facilitate the collaboration between the MOF and the DOSM, with a focus on improving consistency of public sector investment data.** After the previous mission, representatives of the MOF and the DOSM established good working relations to discuss possibilities for conceptual and procedural alignment with respect to major macroeconomic indicators. The mission assisted the authorities to create transparency on the different measures employed for public (nonfinancial and financial) investment and discussed options to improve consistency and usefulness of the respective data for users.

**6. The mission achieved progress with respect to the dissemination of PSDS and the broadening of the sectoral coverage.** Some remaining technical issues with respect to the compilation of PSDS for budgetary central government per requirements of the World Bank-IMF debt database template could be solved. Malaysia will now begin to disseminate PSDS for this subsector on a regular basis. The mission also took the needs of PSDS reporting into account when redesigning the surveys for extrabudgetary units and subnational governments. A much broader availability of debt data including the nonfinancial public sector is thus expected in the near future.

**7. Taken together the recent progress in the accrual-based accounting and GFS domain will shift Malaysia's framework for fiscal analysis to a different quality level.** Leveraging the richer information provided by the accrual based accounting data and combining information from extrabudgetary units and subnational governments into an integrated, comprehensive set of tables for fiscal stocks and flows will provide new opportunities to Malaysia's policymakers for decision making and for policy analysis. The mission encourages the authorities, particularly the Fiscal Policy Office (FPO) in the MOF and the government statisticians in the DOSM to further develop their respective reports and analytical insights to take advantage of these opportunities.

Table 1. Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
June 2019	Compile budgetary GFS from (final) accrual data and investigate balancing of nonfinancial and financial data when the accounts are closed.	MOF with support of AG
December 2019	Continue the alignment of different measures for public investment and implement the respective changes required in the data collection from extrabudgetary units, subnational governments and nonfinancial public corporations.	MOF in alignment with DOSM
December 2020	Implement revised surveys and compile GFS for other levels of government and the nonfinancial public corporations.	MOF

## DETAILED TECHNICAL ASSESSMENT AND RECOMMENDATIONS

### A. Compilation of Budgetary GFS from Accrual Accounting Data

**8. The mission successfully developed a compilation system for accrual-based GFS for the budgetary central government (BCG) sector.** The AG department provided a preliminary set of trial balances with which the coding of the COA to GFS classifications could be completed, tested, and quality-checked. The mission successfully processed (incomplete) annual data for year 2018 and employed plausibility checks for key aggregates. However, due to some limited outstanding tasks in the accounting domain, the data was not complete with respect to opening balances for various stocks. Accordingly, the statistical discrepancy (net lending/net borrowing versus net financing) could not yet be checked.

**9. Final data is expected to become available shortly and will allow testing the integrity of the recording and coding.** When December accounts are closed and all opening stocks are integrated into the trial balances, the MOF team can integrate all data relevant for GFS and check the balancing aggregates of the accounts. The mission recommends to check the internal consistency of the accounts (to confirm the balancing of the accounts—*revenue less expense less net acquisition of nonfinancial assets to equal net acquisition of financial assets less net incurrence of liabilities*).

**10. The authorities do not envisage disseminating accrual-based GFS for BCG before the first publication of accrual based financial statements (expected in year 2021).**

However, the mission encourages the compilers in the MOF and the DOSM to start producing

accrual-based GFS for internal use as soon as possible and to use the time to amend the fiscal reports and analysis. Accrual based data could also readily be used for fiscal surveillance.

**11. Once the GFS data for BCG have been tested, further improvements with respect to institutional and transactional coverage within the subsector can be envisaged.** Malaysia's federal government has established many trust funds with macroeconomically significant transactions. To capture the nature of the involved stocks and flows and to reflect the timing of the involved transactions correctly in GFS, further detailed data analysis will be required. In addition, the treatment of Public-Private-Partnerships gives rise to some potentially challenging statistical questions. The mission encouraged the MOF team to improve the GFS presentation with respect to those transactions going forward.

**12. The newly developed GFS compilation system can also be adapted to process cash data to produce the statement of sources and uses of cash.** The authorities are encouraged to use primary accounting data on a cash basis to replace the current GFS compilation procedures based on secondary sources. For this a transition table to reconcile the cash-based COA to the accrual-based COA can be used to link the GFS classification to the respective cash balances.

**13. Discussions with DOSM also highlighted the possibility to improve the accuracy of the classification of functions of government (COFOG) coding, while at the same time simplifying the compilation efforts.** The current GFS procedure derives COFOG indirectly from the allocation to economic sectors used for the budget presentation. DOSM employs a detailed program-level COFOG coding for a separate breakdown of government expenditure. This coding scheme could be reviewed by the MOF and conjointly improved for use of DOSM. Also, it should be envisaged to integrate trial balance data at the program level to facilitate the use of the same bridge table for budgetary GFS compilation.

**Table 2. Recommendations for Budgetary Central Government GFS**

Target Date	Recommendation	Responsible Institutions
June 2019	<i>Compile budgetary GFS from (final) accrual data and investigate nonfinancial and financial data when accounts are closed.</i>	<b>MOF with support of AG</b>
December 2019	<i>Compile budgetary central government GFS for internal purposes and review options to change the structure of fiscal reports to leverage the richer information for analysis and decision making</i>	<b>MOF</b>

## B. Expansion of Institutional Coverage

**14. Malaysia is planning to expand the coverage of GFS reporting to include other subsectors of the Public Sector.** Currently Malaysia's GFS is limited to the budgetary central



government and only high-level aggregates (on the overall fiscal balance and investment) are available for broader sectoral coverage. At this stage, these measures do not follow international standards.

**15. Following up on the preceding mission, the options to expand the sectoral coverage of GFS beyond the budgetary central government were assessed and concrete proposals to redesign the surveys were made.** The previous mission found that the quality of survey responses could likely be improved by employing a more systematic structure to ensure consistency of stocks and flows. Given an inconsistent use of totals and “of which” items as well as undefined relationships to accounting aggregates, unintentional data entry mistakes are possible. More detail to leverage the availability of information in the respective subsectors would be sensible in some areas. More detailed analysis of all survey forms was undertaken by the mission. Discussions with the MOF team yielded concrete proposals to update the respective surveys for statutory bodies (extrabudgetary units), local governments, and nonfinancial public corporations to accommodate the needs for GFS and PSDS reporting.

**16. The mission undertook a comprehensive assessment of the status quo and the most important next steps with respect to expanded sectoral coverage for GFS.** 00 shows the results of this analysis. With respect to macroeconomic relevance, the BCG and the nonfinancial public corporations (NFPC) sector are most important. For the former, all required data will be available going forward. For NFPC the revision of the survey (see below) is likely to provide reliable data. The inclusion of both, the extrabudgetary central government (i.e. federal statutory bodies) as well as local government should be realistic, after some amendments of the respective surveys.

**17. With respect to nonfinancial public corporations, important steps to collect data as required for GFS have been undertaken.** In discussions with the MOF team, the current structure of the survey was evaluated with respect to GFS reporting needs. The MOF’s current survey is covering the 28 largest nonfinancial corporations at the group level and is deemed to capture the bulk of the economic and quasi-fiscal activity in the sector. The review of the existing survey yielded two main conclusions:

- a. To facilitate filling the survey by responders, improve the quality of the responses, and support the reconciliation of survey responses with published (audited) financial statements, it is deemed sensible to use accounting terms in the survey instead of statistical terms.
- b. To ensure that responders do not omit certain stocks and flows, a logical structure starting from published accounting totals (e.g. for revenue, expense, change of “noncurrent” assets and liabilities, as well as “current” assets and liabilities) is encouraged. While the key items could be pre-listed on the survey, residual (“other”) categories, with the option to provide details, should be added to capture company-specific entries.

**18. To facilitate the revision of the corporations survey, the mission analyzed the structure of financial statements of nine large companies in detail.** This analysis was part of

the remote support preceding the on the ground mission. The aim of this analysis was to capture the specific accounting terms employed by Malaysian SOEs and to group them per their quantitative importance and GFS classification. The results of this analysis are captured in the Attachment II—NFPC Financial Statement Analysis 2017.

**Table 3. Data Availability for GFS with Expanded Coverage**

Data Type	BCG	EBCG	SG	LG	NFPC
<b>Flows</b>					
Revenue	✓ (a)	✓ (a)	✓ (c)	✓ (a)	✓ (a) with limited GFS detail survey revision
Expense	✓ (a)	✓ (a)	✓ (c) <i>treatment of trust funds to be refined</i>	✓ (a)	✓ (a) with limited GFS detail survey revision
Net Investment in Nonfinancial Assets	✓ (a)	✓ (a) <i>survey revision per GFS</i>	<i>currently only total "development expenditure" by sector</i>	✓ (a)	✓ (a) <i>survey revision per GFS</i>
Net Acquisition of Financial Assets	✓ (a)	(✓) (a) <i>survey revision per GFS</i>	<i>Only loans (3214); equity (3215) and cash/deposits (3212) to be added to surveys</i>	✓ (a)	✓ (a) <i>survey revision per GFS</i>
Net Incurrence of Liabilities	✓ (a)	(✓) (a) <i>survey revision per GFS</i>	(✓) (c) <i>Main liabilities (loans) indirectly available only borrowing from or with consent from federal government</i>	✓ (a)	✓ (a) <i>survey revision per GFS</i>
<b>Stocks</b>					
Nonfinancial Assets	✓ (a)	(✓) (a) <i>survey revision per GFS</i>	<i>Estimate/separate survey required</i>	(✓) (a) <i>survey revision per GFS</i>	✓ (a) <i>survey revision per GFS</i>
Financial Assets	✓ (a)	(✓) (a) <i>survey revision per GFS</i>	<i>Estimate/separate survey required</i>	(✓) (a) <i>survey revision per GFS</i>	✓ (a) <i>survey revision per GFS</i>
Liabilities	✓ (a)	(✓) (a)	(✓) (c)	(✓) (a)	✓ (a)

Data Type	BCG	EBCG	SG	LG	NFPC
		survey revision per GFS/PSDS	Main liabilities (loans) indirectly available only borrowing from or with consent from federal government	survey revision per GFS/PSDS	survey revision per GFS

**19. With respect to flows reported in the income statement, the analysis suggests that it is essential to build the survey around the balancing items (net) operative income and (net) comprehensive income.** As companies employ very different presentations with respect to the breakdown and gross versus net reporting of certain income components, it will be difficult to sensibly breakdown GFS revenue and expense. At the same time, the consistent reporting of the balancing items is necessary to check the integrity of the accounting aggregates in the survey responses (e.g. the link between comprehensive income and the changes in equity). The mission proposes, that the survey should take the split between operative and comprehensive income into account and structure the survey accordingly, rather than asking for total flows in GFS terms.

**20. The analysis of the corporate balance sheets suggests that most accounting terms used by the public corporations can be grouped sensibly and linked to GFS classifications.** As accounting reports do not distinguish “nonfinancial” from “financial” assets, but rather employ the terms “noncurrent” and “current” assets and liabilities, the latter terms should be used to structure the survey. Starting from the respective totals, the survey should require details, using as much as possible the accounting terms found in the analysis in groupings of sub-accounts that allow a direct link to GFS classifications. The mission discussed the necessary amendments of the existing survey and developed a draft revision (see Attachment III—NFPC Survey Redesign 2019).

**21. When implemented, a much broader set of statistical data will be available for the analysis of public nonfinancial corporations.** With the data collected through the revised survey, the authorities should be able to compile GFS tables for the nonfinancial public sector. The structure and detail of this information will facilitate a much broader and richer analysis of economic activity in this sector. For instance, the financing transactions and the structure of the balance sheets can be sensibly assessed. More detail will be available to understand the drivers of the operational results of this sector and hence support a sounder analysis of the financial impact on the government and the public sector’s sustainability.

**22. With respect to the extrabudgetary units of central government (comprised of statutory bodies), the mission proposed minor refinements of the survey and prepared preliminary GFS data.** The existing survey structure already provides nearly all necessary detail to compile GFS. The authorities already consolidate the results of the survey for various internal statistical compilation. The mission, together with the authorities, bridged the existing survey

results to statistical classification per *GFSM 2014*. A draft compilation of GFS data was successfully prepared. The authorities can use the compilation sheet as a template for future processing of fiscal data (see Attachment IV—Statutory Bodies GFS Classification 2016–2019). The mission drafted a revised survey for data collection from the statutory bodies (see Attachment VII—GFS Revised Survey Statutory Bodies).

**23. With respect to subnational governments, the mission finalized the review of the existing surveys and successfully compiled draft GFS data for local governments.**

The authorities already collect and process data for state and local governments. Following up on the preceding mission and the remote support, the mission continued the review of the survey forms for both government layers. The mission managed to compile draft GFS for transactions (table 1, 2, and 3) for local governments (see Attachment V—Local Government GFS and Consolidated Data for 2016–2018) and coded existing data with a preliminary bridge table to GFS classifications for state governments (see Attachment VI—Preliminary GFS Coding State Governments for 1998–2019). Given that local governments use accrual accounting standards, the mission suggested to include a request for balance sheet information for local governments going forward (see Attachment VIII—Local Governments—Revised MOF Questionnaire (Survey Proposal)). State governments report on a cash basis for the time being, however some limited stock information for financial assets and liabilities could also be collected.

**24. More analysis will be required to integrate data for state governments; yet with some limitations general government GFS should still be feasible.** At this stage, the availability of certain source data breakdowns from the accounting systems at the state government level are unclear. Hence the mission suggested to first collect information on the underlying accounting systems before the transactional coverage of the survey is expanded and restructured. However, given that states can only borrow from the federal government level the overall fiscal risk of this sector seems limited and a partial integration of available data should facilitate general government GFS on the basis of estimation despite incomplete coverage of source data.

**Table 4. Recommendations for GFS/PSDS of the Public Subsectors**

Target Date	Recommendation	Responsible Institutions
July 2019	<i>Review, amend and implement the revised surveys for NFPC, local governments and statutory bodies.</i>	MOF
December 2010	<i>Compile draft GFS for all GFS subsectors excl. the financial corporations sector (incl. restricted set of tables for state governments).</i>	MOF
December 2019	<i>Assess the structure of accounting data available for state governments (incl. possible secondary sources for larger entities).</i>	MOF

## C. Consolidation

**25. The mission undertook a preliminary assessment of the necessary steps for consolidation of the central government, the general government, as well as the nonfinancial public sector.** Consolidation eliminates intra- and inter-sectoral flows as well as debtor-creditor relationships within the same sector. As such data is more meaningful for cross-country comparisons and with respect to analysis of liabilities. The balance sheet produces more meaningful information with respect to financial assets and (debt and non-debt) liabilities with other economic sectors. 0 shows a summary of the key results.

**26. Consolidation for the central government should be achievable with reasonable effort.** For the compilation of the consolidated central government sector, data from the federal government needs to be combined with data from statutory bodies. Given that transfers and lending positions are readily available from the federal governments accounting system, this should be possible with minimal effort. The mission encourages the authorities to undertake the necessary analysis and undertake the consolidation once data becomes available, from the revised survey.

**27. Consolidation for the general government sector requires some assessment (and possibly estimation) for state government data.** Given that all government sectors but the state governments employ accrual accounting, the balance sheet information for the latter is limited. However detailed data on borrowing should be readily available, as states are only allowed to borrow from or with consent of the federal government. Missing information on the side of financial assets would need to be collected anyway for GFS reporting. Even if data will partially be missing, the mission encourages the authorities to proceed with the compilation of consolidated general government GFS, as the overall impact of estimates or approximations is likely to be limited.

**28. Consolidation for the nonfinancial public sector will require some additional analysis but is also a realistic possibility in the medium term.** For fiscal analysis, the most important benefit of nonfinancial public sector consolidation will be to eliminate borrowing flows and subsidies between general government and the public nonfinancial corporations. Also, the equity position of the general government would be netted out. Consolidated figures would thus allow a supplementary analysis of the overall financial health of the nonfinancial public sector. However, the relationships are likely to be more complex and a more detailed analysis should be undertaken. For the time being, the mission suggests to report the nonfinancial public corporations sector separately and to provide supplementary information on subsidies, grants, lending activities, and public guarantees for the benefit of fiscal analysis and risk assessments.

Table 5. Preliminary Assessment of Consolidation Options

Data Type	BCG	EBCG	SG	LG	NFPC	Remarks
<b>Consolidated Central Government</b>						<ul style="list-style-type: none"> <li>• Already possible, with main grants and lending from federal government separately identifiable in GFMIS and survey data</li> <li>• Survey revision will improve asset and liability breakdown as per GFS for statutory bodies</li> </ul>
<b>General Government</b>						<ul style="list-style-type: none"> <li>• Consolidation requires reconciliation of lending between federal, state and local governments as well as from state governments to statutory bodies</li> <li>• Some issues may arise due to different accounting bases (cash for state governments vs. accrual for other subsectors)</li> <li>• The main gaps will likely exist on the balance sheet of the states, possibly requiring separate data collection or estimation</li> <li>• Most importantly, state governments are only borrowing from or with consent from federal government, thus most loan liabilities will be subject to consolidation anyway</li> </ul>
<b>Nonfinancial Public Sector</b>						<ul style="list-style-type: none"> <li>• Consolidation should be possible, but will require more detailed analysis</li> </ul>

#### D. Consistency of Investment Data

29. The mission prepared an overview of the different investment measures that are currently employed by the MOF and the DOSM with the aim to strengthen conceptual consistency going forward. Following up on discussions during and after the preceding mission, the team discussed conceptual and methodological issues relating to capital formation, spending on capital goods, and the acquisition of financial assets. The team discussed the option to define any specific measure of public investment with explicit reference to the international standards for statistical concepts. The mission highlighted, that the GFS framework offers a clearly understandable structure of classifying nonfinancial and financial assets, and would thus make respective statistics more user friendly. If necessary, any subset for a more specific investment measure could be classified with respect to the instruments (e.g. fixed assets, fixed assets + land, or fixed assets + investment in equity and investment funds shares, debt securities and loans).

**Table 6. Recommendations on Investment Data Consistency**

Target Date	Recommendation	Responsible Institutions
<b>December 2020</b>	<i>Review the employed investment definitions vis-à-vis international standards and consider aligning the investment aggregates across different publications.</i>	<b>MOF and DOSM</b>

## Appendix I. Officials Met During the Mission

Name	Function	Unit
<b>MINISTRY OF FINANCE—FISCAL AND ECONOMIC DIVISION</b>		
En. Mohamad Reezal Bin Ahmad	KS(ST)	FPO (MOF)
En Imri Dolhadi Ab Wahab	KS(RH)	FPO (MOF)
Puan Azlin binti Ismail	KE(SB)	FPO (MOF)
Pn Khadijah Abdul Hamid	KE(SABK)	FPO (MOF)
Pn Faujat Noori Hithayatullah Khan	KE(B)	FPO (MOF)
Puan Raja Dayana binti Raja Idris	PE(HL)1	FPO (MOF)
Puan Noor Aidawati binti Hussin	PE(SH)1	FPO (MOF)
Puan Mazrina Misri	PE(SB)1	FPO (MOF)
En. Muhamad Syah bin Ab Raub	PE(SH)2	FPO (MOF)
Nurhanis Abd Razak	PE(B) 2	FPO (MOF)
Puan Faung Siew Leng	PE(RP)	FPO (MOF)
Cik Wong Seow Kim	PE(CLM)1	FPO (MOF)
Pn Rahimatul Lubna Md Yusof	PE (SK) 2	FPO (MOF)
Cik Nor Hannanah binti Jiman	PE(HL)2	FPO (MOF)
Puan Rahayu Ali	PE(SB)2	FPO (MOF)
Puan Noor Hazrina binti Ab Hamid	PE(PABK)1	FPO (MOF)
En. Mohd Fakhrrullah bin Nik Ab Kadir	PE(SK)1	FPO (MOF)
Pn Masidah bt Fadzil	KS (P)	PE (MOF)
Puan Nuur Rasyiqah Zainuddin	KE(PD) 1	MAKRO (MOF)
Puan Norhidayah Johari	KE(PD) 2	MAKRO (MOF)
<b>ACCOUNTANT GENERAL'S DEPARTMENT</b>		
Mohd Sabree Yaakub	KPPK	AG
<b>DEPARTMENT OF STATISTICS MALAYSIA</b>		
Puan Fariza Kambut	Principal Assistant Director	DOSM
Cik Nurul Naqiah Mansor	Assistant Director	DOSM
Mohd Yazid Kasim	Senior Deputy Director	DOSM
Siti Hajar Mohamad	Assistant Director	DOSM
Hezlin Suziana Abdul Halim	Assistant Director	DOSM
Mohd Syahidi Alfee Mohamad Mohar	Assistant Director	DOSM
Junainah Sedek	Assistant Director	DOSM



## Appendix II. Comparison of Investment Measures

SNA/GFS Asset Type	Flow Type	GFCF <i>DåOSM</i> (GG + NFPC)	Net Development Expenditure of NFPC <i>MOF Fiscal Outlook</i> (NFPC)	GFCF <i>MOF Public Investment Report</i> (GG + NFPC)	Net Investment in Nonfinancial Assets <i>MOF GFS</i> (GG + NFPC)
<b>Nonfinancial Assets</b>					
<b>Fixed Assets</b> <i>(Produced Assets)</i>					
Buildings and structures	<i>Additions (+)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>	<b>X<sup>A</sup></b>	<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>		<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
Machinery and equipment	<i>Additions (+)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>	<b>X<sup>A</sup></b>	<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>		<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
Other fixed assets	<i>Additions (+)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>	<b>X<sup>A</sup></b>	<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>	<b>X<sup>A</sup></b>	<b>X<sup>A/B</sup></b>		<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
Weapons systems	<i>Additions (+)</i>	<b>X<sup>A</sup></b>	n.a.	<b>X<sup>A</sup></b>	<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>	<b>X<sup>A</sup></b>	n.a.		<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
<b>Inventories</b>	<i>Net Change (+)</i>				<b>X<sup>A</sup></b>
<b>Valuables</b>	<i>Additions (+)</i>				<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>				<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
<b>Nonproduced assets</b>					
Land	<i>Additions (+)</i>		<i>Possibly included<sup>B/C</sup></i>		<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>		<i>Possibly included<sup>B/C</sup></i>		<b>X<sup>A</sup></b>
Mineral and energy resources	<i>Additions (+)</i>				<b>X<sup>A</sup></b>
	<i>Disposals (-)</i>				<b>X<sup>A</sup></b>
	<i>COFC (-)</i>				<b>X<sup>A</sup></b>
Other naturally occurring assets	<i>Additions (+)</i>				<b>X<sup>A</sup></b>

SNA/GFS Asset Type	Flow Type	GFCF <i>DàOSM</i> (GG + NFPC)	Net Development Expenditure of NFPC <i>MOF Fiscal Outlook</i> (NFPC)	GFCF <i>MOF Public Investment Report</i> (GG + NFPC)	Net Investment in Nonfinancial Assets <i>MOF GFS</i> (GG + NFPC)
	<i>Disposals (-)</i>				X <sup>A</sup>
	<i>COFC (-)</i>				X <sup>A</sup>
Intangible nonproduced assets	<i>Additions (+)</i>				X <sup>A</sup>
	<i>Disposals (-)</i>				X <sup>A</sup>
	<i>COFC (-)</i>				X <sup>A</sup>
<b>Financial Assets</b>					
Monetary Gold + SDR	<i>Net Acquisitions (+)</i>				X <sup>A</sup>
Currency & Deposits	<i>Net Acquisitions (+)</i>				X <sup>A</sup>
Debt Securities	<i>Net Acquisitions (+)</i>		<i>Possibly included<sup>23</sup></i>		X <sup>A</sup>
Loans	<i>Net Acquisitions (+)</i>				X <sup>A</sup>
Equity and Investment Fund Shares	<i>Net Acquisitions (+)</i>		<i>Possibly included<sup>23</sup></i>		X <sup>A</sup>
Insurance, Pension/ Std. Guarantee Sch.	<i>Net Acquisitions (+)</i>				X <sup>A</sup>
Other accounts payable	<i>Net Acquisitions (+)</i>				X <sup>A</sup>

**Notes:** A: Includes spending on imported capital goods;  
B: Covers domestic and foreign spending (shown separately);  
C: The existing survey asks for "other investments"

## Appendix III. Updated Results-Based Management Framework (as of April 2019)

Malaysia (MYS)		
Objective: Strengthen compilation and dissemination of data on macroeconomic and financial statistics for decision making according to the relevant internationally accepted statistical standard, including developing/improving statistical infrastructure, source data, serviceability and/or metadata.		
Outcome	Verifiable Indicators	Comments
Business processes documentation for compilation and dissemination of macroeconomic and financial statistics is stored, accessed and regularly updated.	Adequate business processes documentation exists, is well stored, accessible, and regularly updated to enable the compiling/disseminating statistical agency to sustain good statistical practices.	<i>Postponed until new GFS compilation process for budgetary central government from primary data is finalized (data provision from AG pending); For other government levels: Postponed until new survey design is finalized and implemented</i>
Milestones	Target Completion Date	Comments
Business process documentation identifying compilation tables for the current GFS data production and full linkages with the accounting source data from the GFMIS system (on cash and accruals).	December 31, 2019	<i>Postponed until new GFS compilation process for budgetary central government from primary data is finalized (data provision from AG pending); For other government levels: Postponed until new survey design is finalized and implemented</i>
Outcome	Verifiable Indicators	Comments
Data are compiled and disseminated using the classification of the latest manual/guide.	Transactions in financial assets and liabilities by counterparty are classified according to the <i>Government Finance Statistics Manual 2014 (GFSM 2014)</i> guidelines. Revenue and expense transactions by economic classification are classified according to the <i>GFSM 2014</i> guidelines.	

<b>Milestones</b>	<b>Target Completion Date</b>	<b>Comments</b>
Build full GFS bridge tables linking the revised Chart of Accounts to <i>GFSM 2014</i> from the GFMIS which by design produces cash and accrual basis trial balance accounting data	June 30, 2019	<i>Largely completed. Remaining steps require (preliminary) accounting data in the new COA structure, which is expected in 2019: Q2.</i>
Build full GFS bridge tables linking financing data from revised COA to <i>GFSM 2014</i> from the GFMIS; reconcile such data with other sources data on financing from the Central Bank and debt data source.	June 30, 2019	<i>Largely completed. Remaining steps require (preliminary) accounting data in the new COA structure, which is expected in 2019: Q2.</i>
<b>Outcome</b>	<b>Verifiable Indicators</b>	<b>Comments</b>
Data are compiled and disseminated using the coverage and scope of the latest manual/guide.	The institutional scope includes all significant general government (or public sector) institutional units.	
<b>Milestones</b>	<b>Target Completion Date</b>	<b>Comments</b>
Develop an updated and more effective survey to collect Provincial GFS reflecting the revised COA. Apply the survey at least to the largest Provincial government, and then extend it to others in due course.	March 31, 2019	<i>Completed.</i>