Schweizerische Eidgenossenschaft
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Swiss Confederation

Federal Department of Finance FDF
Federal Finance Administration FFA

Bern, 30 September 2025

Technical Note of the 2025 Revision

Adjustments to the FS and GFS models of financial statistics as of September 30, 2025

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1 Overview

The Financial Statistics Section of the Federal Finance Administration (FFA) has been publishing data and indicators in accordance with the Government Finance Statistics Manual 2014 (GFSM 2014[1]) of the International Monetary Fund (IMF) since September 24, 2015. The Financial Statistics Section compiles the data on the general government sector (S.13) for the system of national accounts, which is based on the European System of Accounts (ESA 2010) and is compatible with the GFSM 2014. Both manuals are based on the System of National Accounts (SNA 2008) of the UN, the OECD, the IMF, the World Bank and the European Commission. A benchmark revision with more comprehensive methodology adjustments is generally carried out every five years, during which time series may be revised over the entire period. The last revision was carried out in 2020, and the revised data was published on September 28, 2020. The adjusted data as part of this revision was published on September 30, 2025. This note describes the main data adjustments as part of the 2025 revision of the system of national accounts, as well as their impact on the most important financial statistics indicators and aggregates.

The following adjustments have the greatest quantitative impact:

- Financial transactions in financial assets and liabilities have been reconciled with the financial accounts of the Swiss National Bank (SNB) and published in the GFS Model.
- The allocations to the Classification of the Functions of Government (COFOG)[2] have been revised and adjusted.
- The Swiss Broadcasting Corporation (SRG SSR) is now allocated to the Confederation sub-sector as a separate account.
- In the statement of financial position, the withholding tax provision of up to CHF 30 billion has been restated in the international models and the valuation of financial interests in federal enterprises has been increased by around CHF 30 billion. Moreover, an incorrect market value estimate for debt instruments has been corrected.
- In the case of non-financial transactions, the motorway vignette and the performance-related heavy vehicle charge (LSVA) in the amount of around CHF 2 billion per year have been reclassified from sales of non-market output to taxes. In addition, the change to the withholding tax provision is now recognized as taxes.

Overall, these effects result in an increase of around CHF 30 billion in gross debt in accordance with the IMF definition (+3.7% of GDP). By contrast, gross debt in accordance with the Maastricht definition is down by as much as CHF 5 billion from 2017 onward. Financial assets are up by around CHF 30 billion and government final consumption by just over CHF 4 billion. The general government's deficit or surplus changes only marginally. Due to the balance sheet effects, the international GFS and ESA models are aligned with the national FS Model.

1 Government Finance Statistics Manual 2014 (https://www.imf.org/external/np/sta/gfsm/)

2 Classification of the Functions of Government; the current version of the classification was drawn up in 1999 by the Organisation for Economic Co-operation and Development (OECD) and was published by the United Nations Statistics Division as a standard classification for the purposes of government activities

In addition to the annual data, adjustments have also been made to the quarterly data. Quarterly data for all sub-sectors (Confederation, cantons, municipalities, social security funds) is now produced for all quarterly products. Previously, quarterly data was compiled only for the Confederation and social security sub-sectors. This leads to changes in the series at general government level.

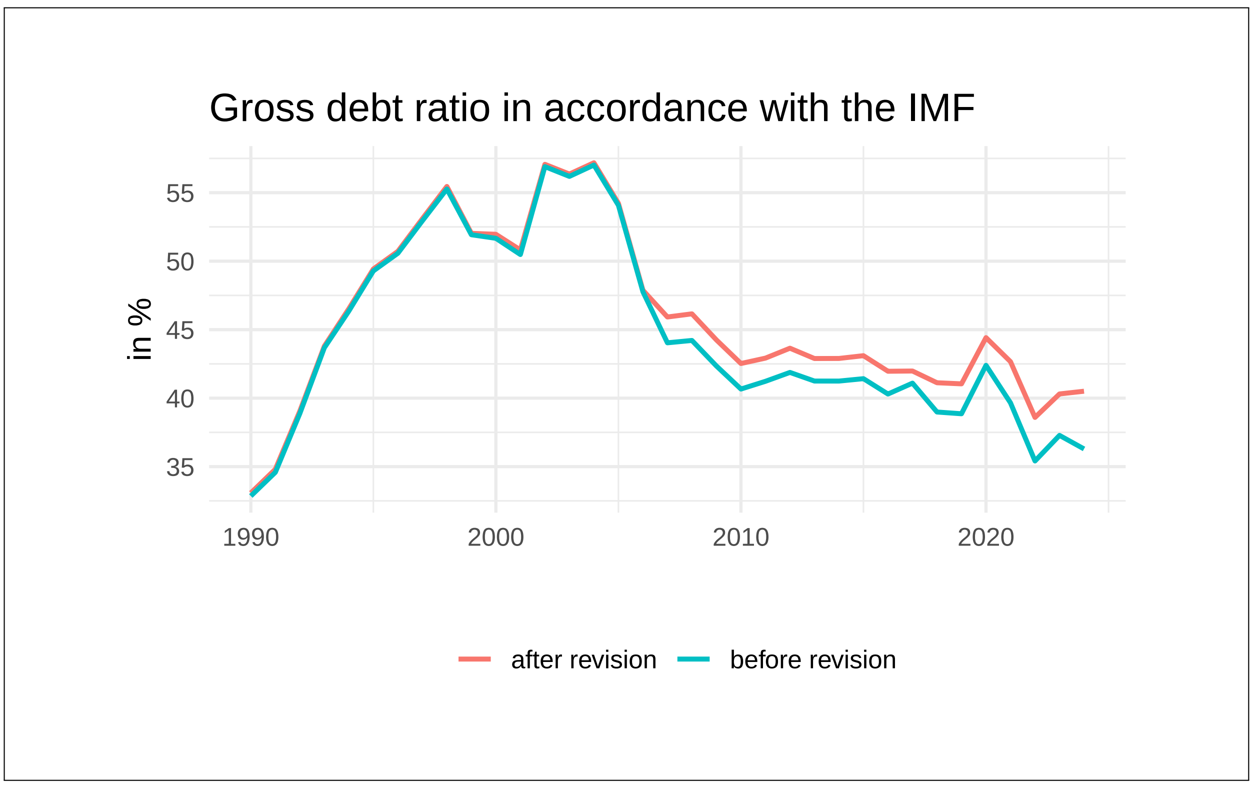
1.1 Principal consequences in the GFS and ESA models

The impact on the most important macroeconomic indicators is shown below. Detailed information on the methodology adjustments is provided in section 2. For comparability reasons, all of the ratios before and after the revision shown in the following charts were calculated using the current nominal GDP according to the 2025 revision.

1.1.1 Gross debt ratio in accordance with the IMF (gross debt ratio)

The gross debt ratio in accordance with the IMF is up to 4 percentage points higher as a result of the revision. This is because the withholding tax provision at federal level is now reported as financial liabilities of up to CHF 30 billion under other accounts receivable/payable. Net debt in accordance with the IMF is likewise up to CHF 30 billion higher. However, this adjustment has no effect on the Maastricht definition, as other accounts payable are not part of the definition of Maastricht debt (see section 1.1.2).

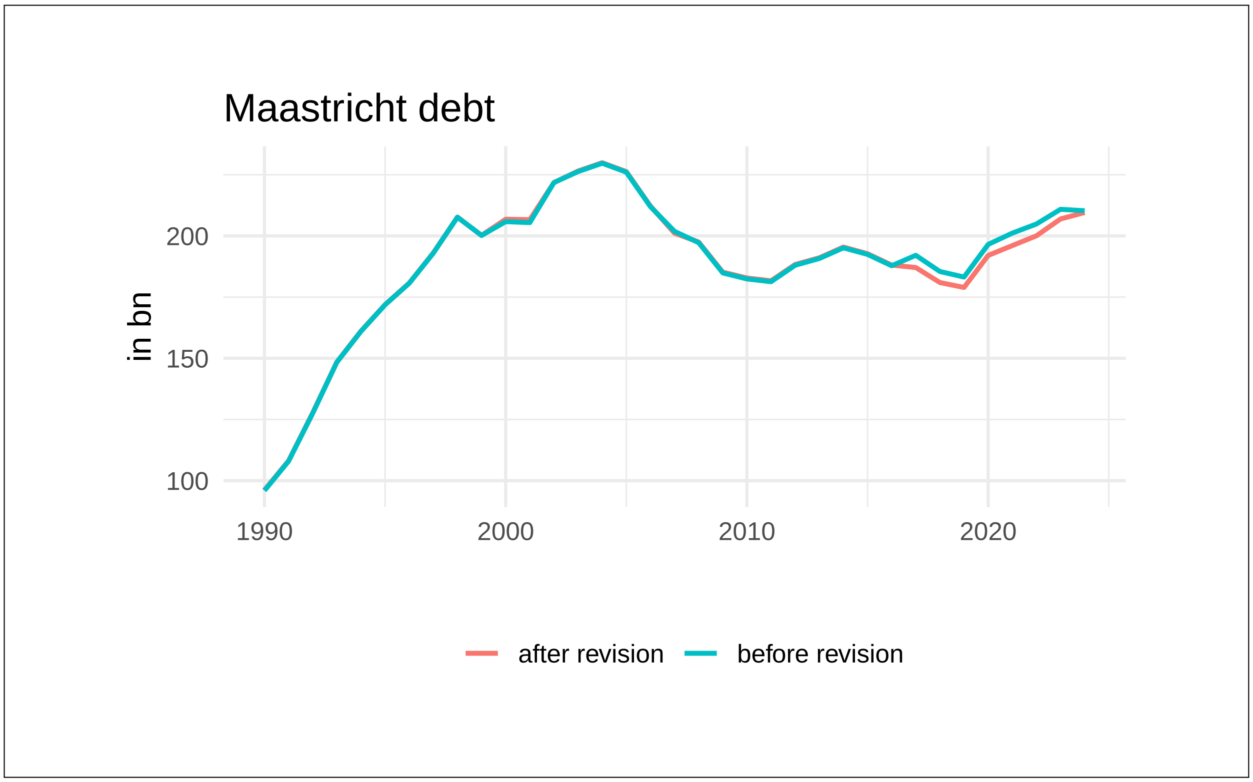
Figure 1



1.1.2 Gross debt in accordance with the Maastricht criteria

The general government sector's gross debt in accordance with the Maastricht criteria is down by as much as CHF 5 billion (-0.7% of GDP) from 2017 onward, due to a new valuation method for debt instruments. Previously, the Confederation's debt instruments were included at amortized cost in the calculation of Maastricht debt. However, nominal values are decisive according to the definition of Maastricht debt. That has been adopted with this revision.

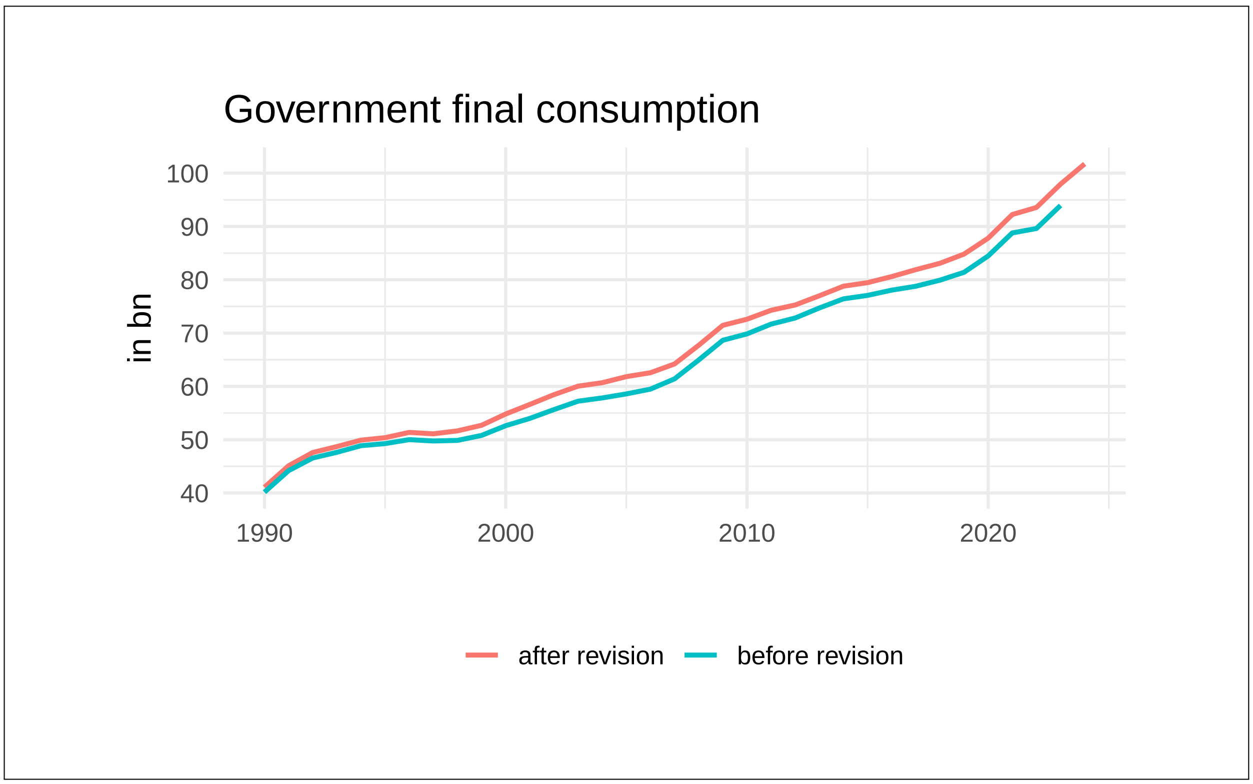
Figure 2



1.1.3 Government final consumption

General government final consumption is higher because of the motorway vignette and the performance-related heavy vehicle charge being reclassified as taxes. Previously, both items were recorded as sales of non-market output, which are subtracted from government final consumption. Taxes, by contrast, are not part of government final consumption. This means that government final consumption is around CHF 2 billion higher per year. Further adjustments arising from the review of COFOG and the re-sectorization of SRG SSR to the Confederation sub-sector of the general government sector, as well as an improved estimate for consumption of fixed capital, are also responsible for higher government final consumption. In total, government final consumption increases by up to CHF 4 billion.

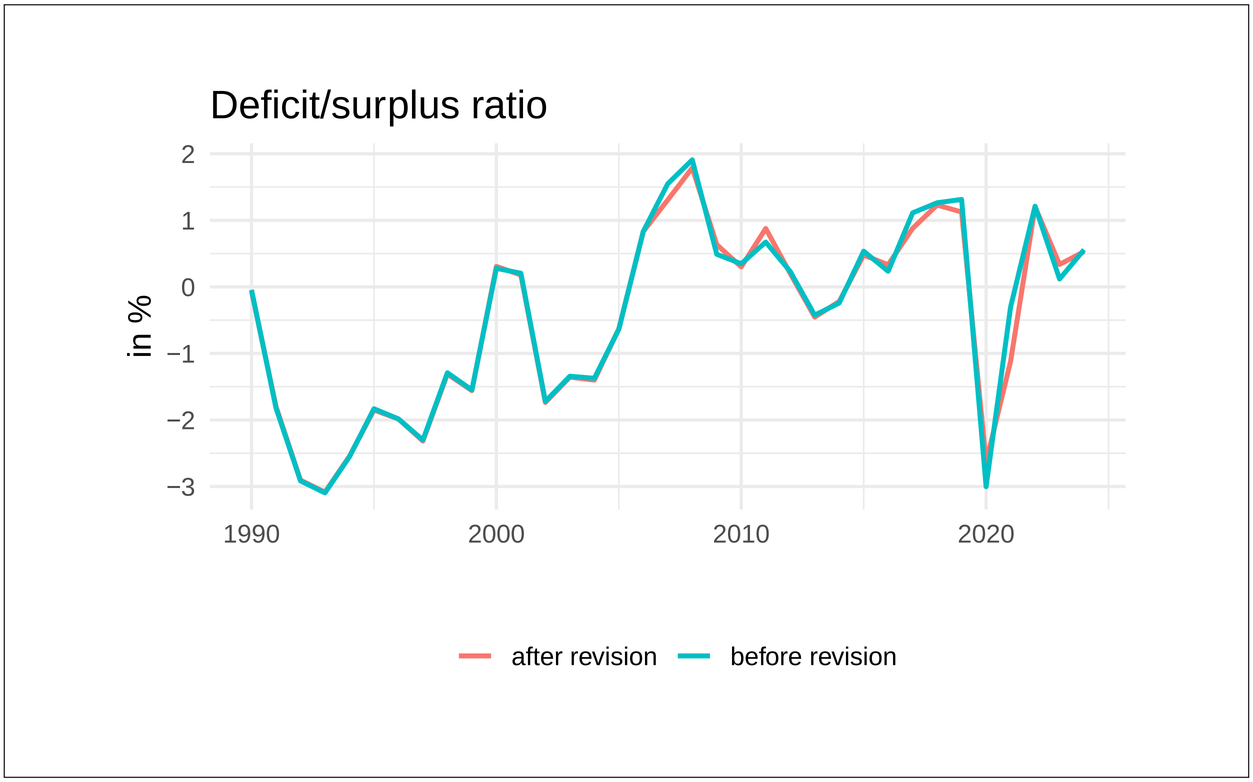
Figure 3



1.1.4 Deficit/surplus ratio

The general government sector's deficit/surplus ratio has been revised only to a negligible extent. The revision is due primarily to the treatment of the change in the withholding tax provision as a tax. The other adjustments do not have a significant net impact on the deficit/surplus.

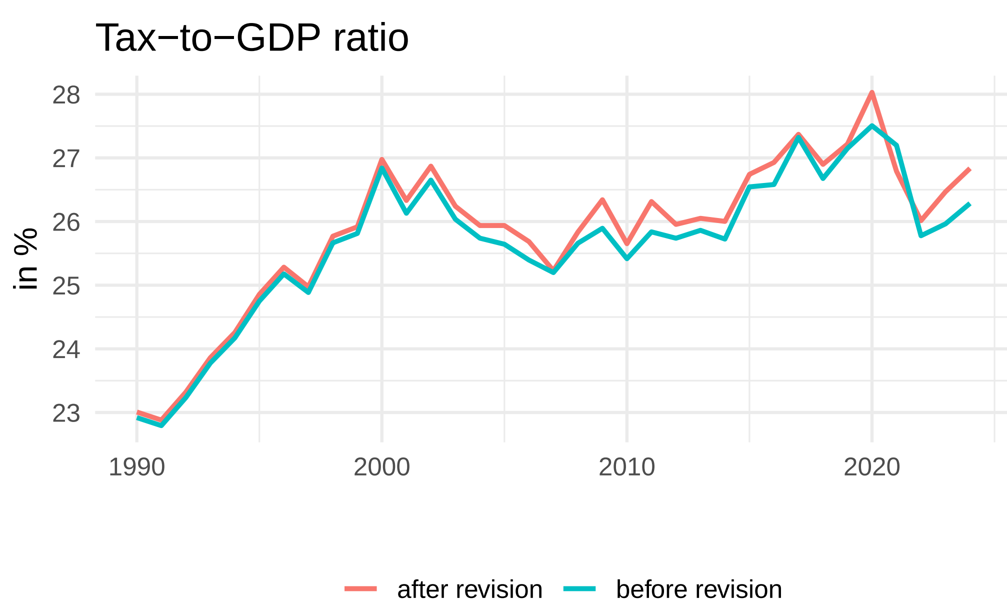
Figure 4



1.1.5 Tax-to-GDP ratio

The tax-to-GDP ratio is slightly higher due to the motorway vignette and the performance-related heavy vehicle charge being recognized as taxes. In addition, including the change in the withholding tax provision as a tax causes both upward and downward revisions.

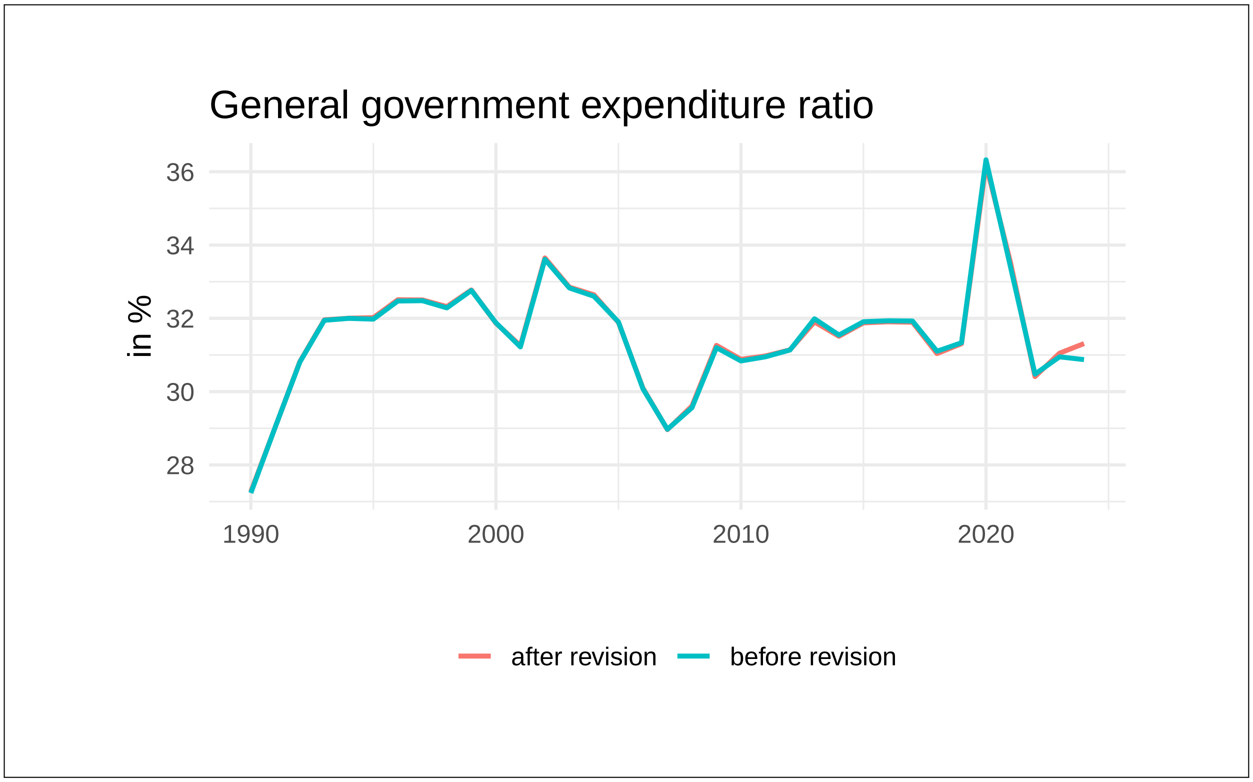
Figure 5



1.1.6 General government expenditure ratio

The general government expenditure ratio changes only marginally as a result of this revision. Most revisions have no net impact on the general government expenditure ratio. A slight increase (+0.04%) is due to the inclusion of SRG SSR.

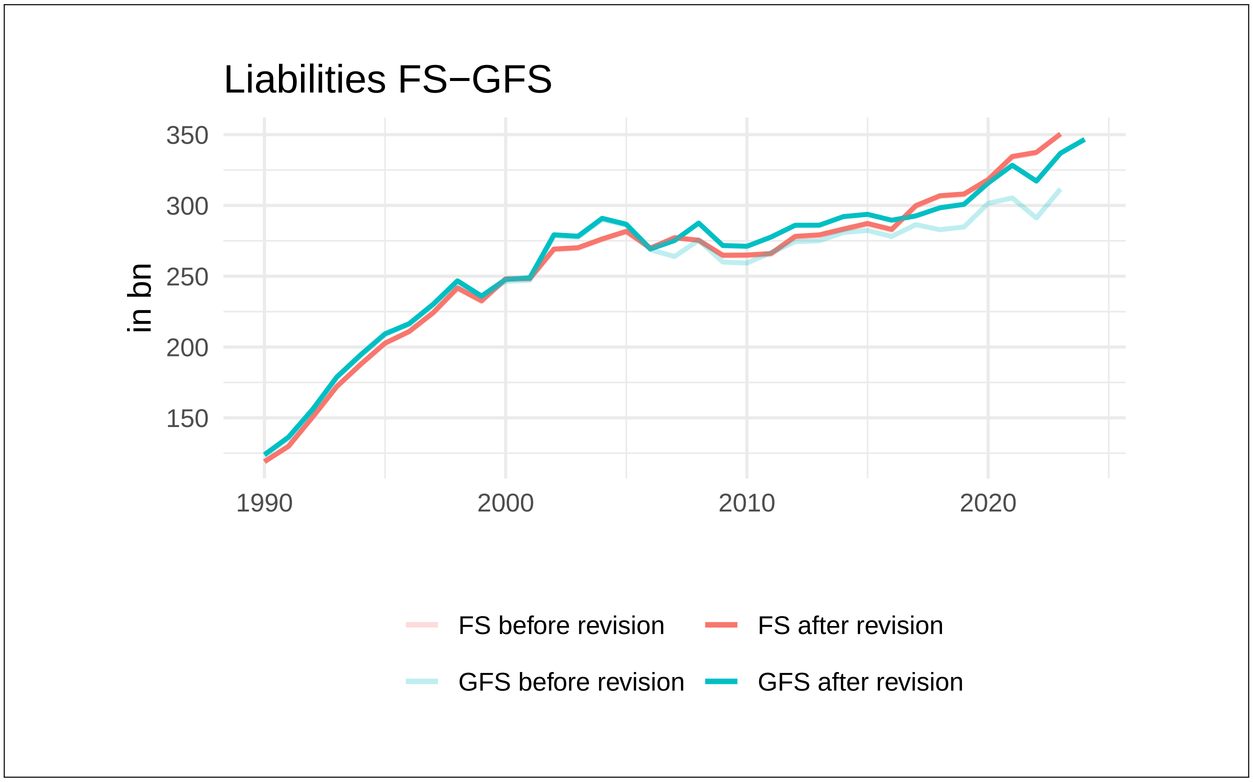
Figure 6



1.2 Main consequences in the FS Model

The change in FS gross debt and net debt, as defined in HAM2, arising from this revision is negligible, as the withholding tax provision and the values of financial interests in federal enterprises are already included in the FS Model. As a result, particularly from 2017 onward, the figures with the GFS and ESA models converge with those of the national FS Model with respect to items in the statement of financial position (see figure 7). Revenue from the motorway vignette and the performance-related heavy vehicle charge was already recognized as tax revenue in the FS Model before the 2025 revision.

Figure 7



2 Revision of the annual figures

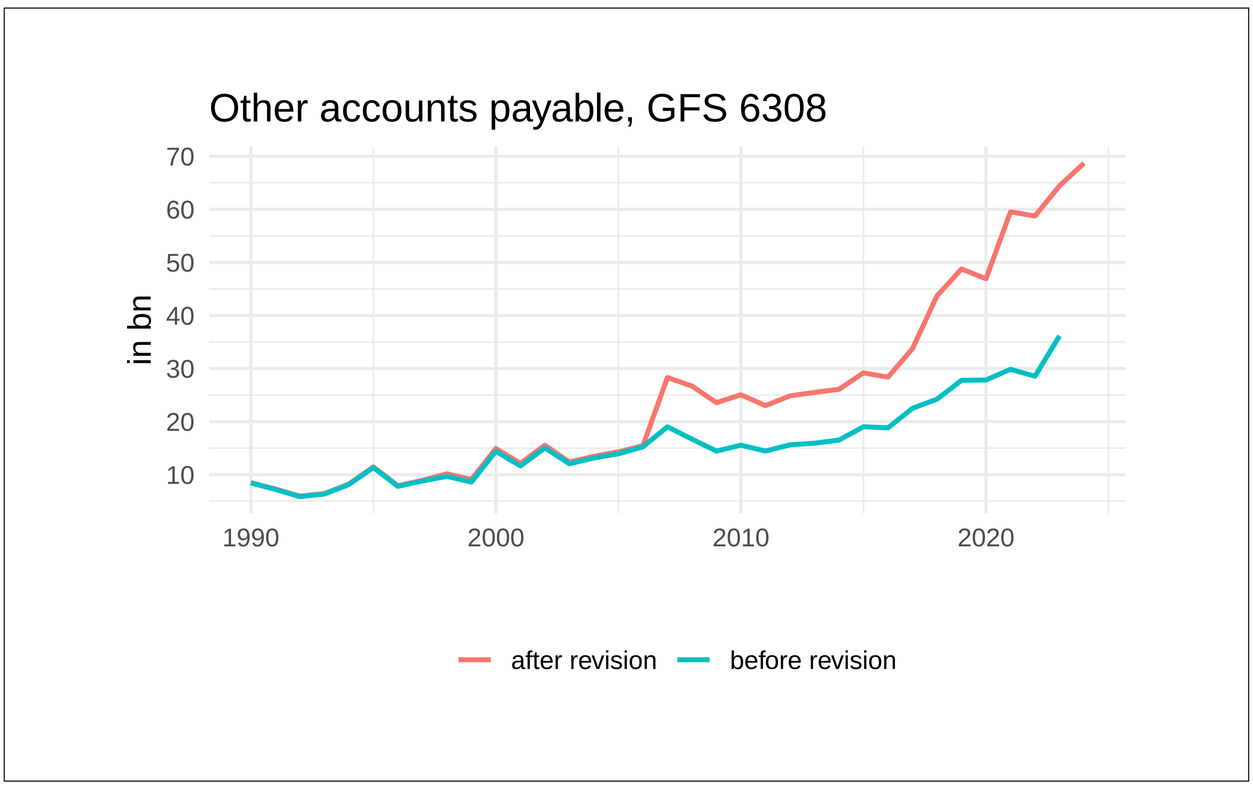
2.1 Principal adjustments in the GFS and ESA models

2.1.1 Withholding tax provision

With the 2025 revision, the change in the withholding tax provision is now recognized as tax revenue. Previously, only actual incoming payments less refunds were taken into account. This brings the GFS and ESA models into line with the methodology for the Confederation's state financial statements, which already includes the change in the provision in the estimate for withholding tax revenue. This leads to annual tax revenue revisions (GFS 11132, ESA D.51). Most years, the revision fluctuates around ±2 billion. One exception is 2021, when the provision increased by CHF 5.1 billion. Consequently, tax revenue is less volatile in the GFS and ESA models.

In addition, the provision is also reported as a liability in the financial accounts. Previously, it was considered a contingent liability and was not included in the international models. As a result of this adjustment, the figure for other accounts payable (GFS 63082, ESA AF.89) is as much as CHF 30 billion higher (see figure 8).

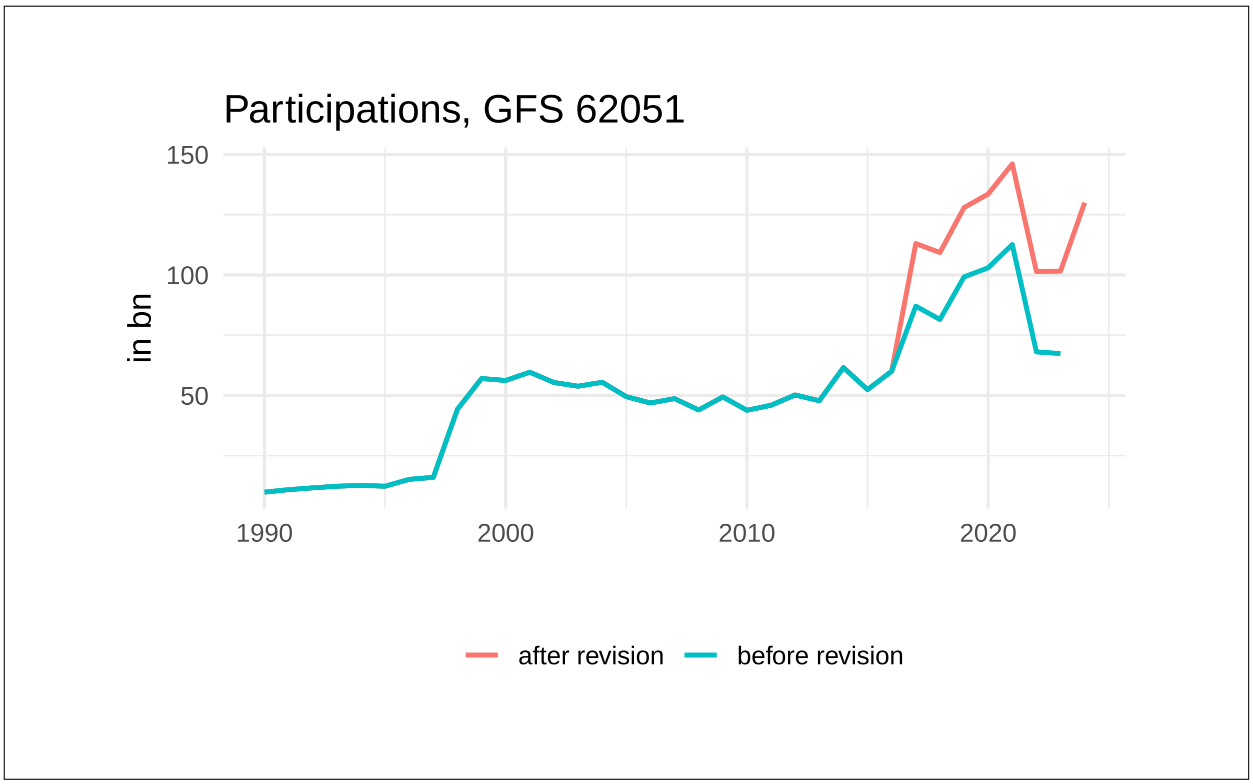
Figure 8



2.1.2 Financial interests, Confederation

From fiscal 2017 onward, the Confederation's financial interests are valued according to the equity values in the federal financial statements. Previously, the values were taken from the companies' annual reports. Because of this change, the Confederation's figure for equity (GFS 62051, ESA AF.51) is around CHF 30 billion higher, due primarily to conditionally repayable loans from the railway infrastructure fund. While these are recognized as financial liabilities by SBB, the Confederation writes them off in full, as repayment is considered highly unlikely. This results in a significantly higher equity value for SBB in the federal financial statements. This adjustment was captured as a statistical change for the first time in 2017, when the new method of calculating equity values was introduced in financial reporting.

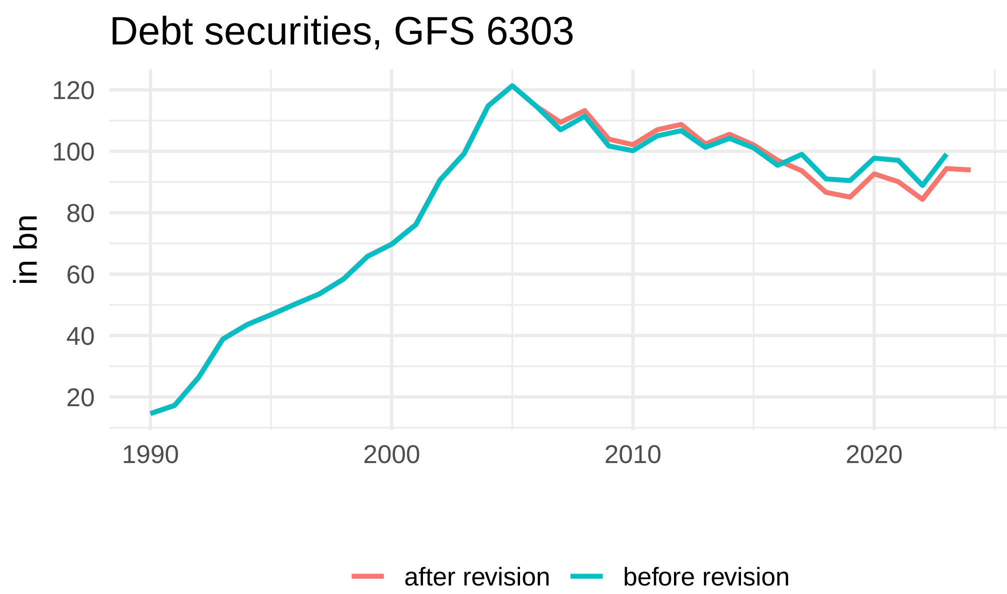
Figure 9



2.1.3 Liabilities arising from money market paper and Confederation bonds (debt securities)

A previously incorrect market value estimate has been replaced with the correct value for liabilities arising from money market paper and Confederation bonds (GFS 6303, ESA AF.31/AF.32). Furthermore, transactions and revaluations concerning these items are now reported correctly too. This adjustment ensures a more accurate presentation of the Confederation's debt and improves consistency with the IMF's financial statistics guidelines. The corrections affect the published data over the entire period. The Confederation's debt is thus slightly higher between 2007 and 2016, and lower from 2017 onward.

Figure 10



2.1.4 Motorway vignette and performance-related heavy vehicle charge

Previously, the revenue from the performance-related heavy vehicle charge and the motorway vignette was reported as sales of non-market output in the GFS and ESA models (GFS 1423, ESA P.131). Following methodology clarifications between the Federal Statistical Office (FSO) and Eurostat, this revenue is now classified as taxes:

- Performance-related heavy vehicle charge: other taxes on the use of goods/other taxes on production, payable – GFS 114525, ESA D.29 (figure 11)
- Motorway vignette: licenses and permits for households/other current taxes – GFS 114524, ESA D.59 (figure 12)

This reclassification leads to an increase in the Confederation's reported tax revenue. Specifically, revenue under D.29 is around CHF 1.5 billion higher and that under D.59 is some CHF 0.5 billion higher. Sales of non-market output are around CHF 2 billion lower. When calculating government final consumption, sales – in this case of non-market output – are subtracted from the costs of providing goods and services. As a result, the Confederation's government final consumption expenditure (P.3) is also around CHF 2 billion higher per year (see figure 3). The adjustment applies retroactively for the entire published period.

Figure 11

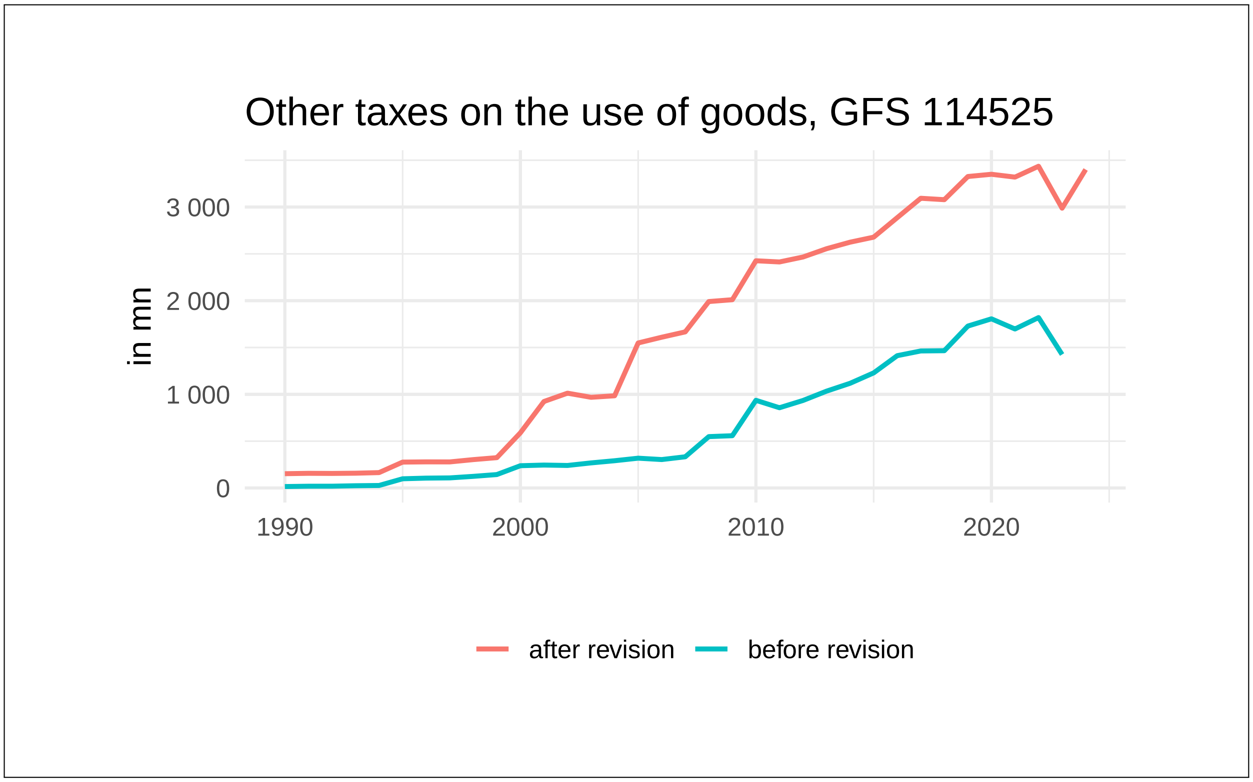
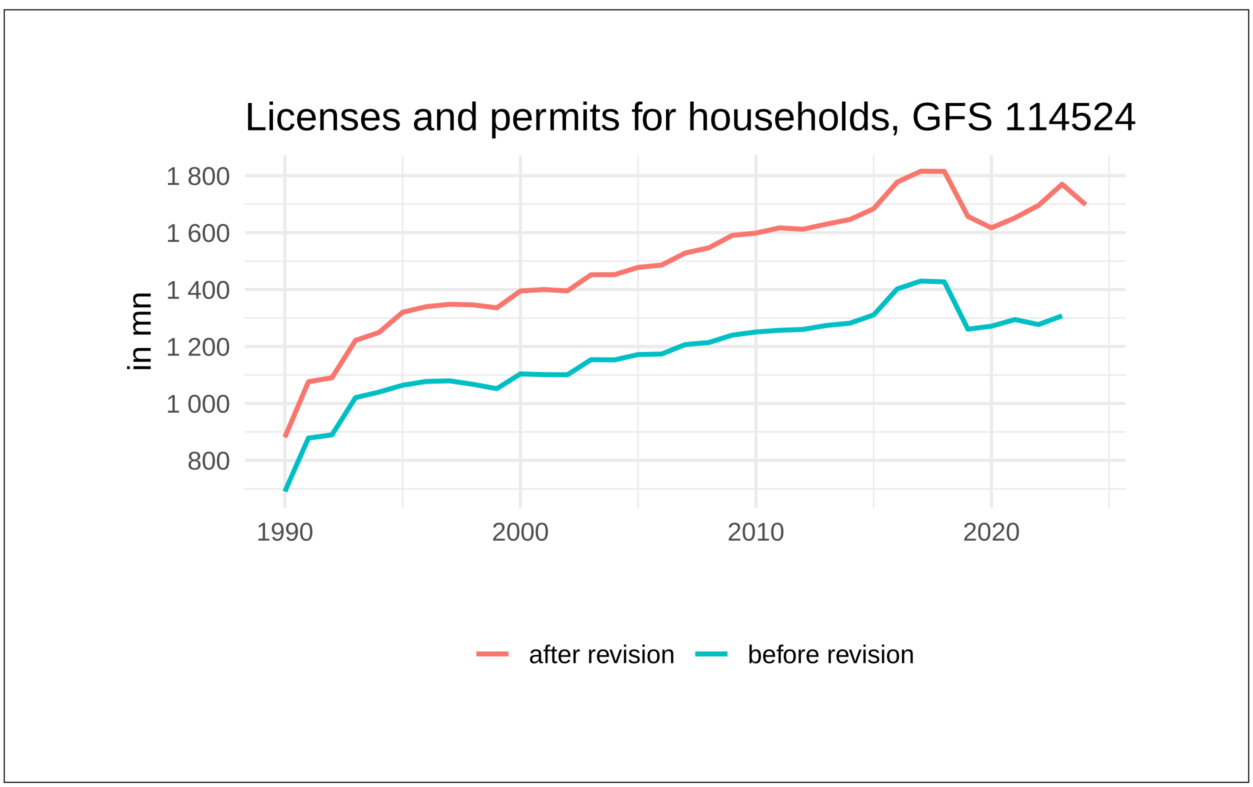


Figure 12



2.1.5 Classification of the Functions of Government (COFOG)

Over the last few years, Eurostat identified certain inconsistencies in Switzerland's COFOG data. In order to eliminate most of these inconsistencies, COFOG was thoroughly reviewed as part of this revision. Corrections were made in the functions where government final consumption expenditure was negative, i.e. where the government reported its own market output[3]. Overall, the general government sector had cumulative negative values of approximately CHF 30 billion across various functions in the period from 1990 to date. The main corrections are as follows:

- Road transport function (COFOG 04.5.1): as a result of the corrections described above for the performance-related heavy vehicle charge and the motorway vignette (no longer classified as sales of non-market output, P.131) in the Confederation sub-sector, a large portion, around CHF 20.0 billion overall, could be corrected.
- Basic research function (COFOG 01.4) and other R&D-related functions (COFOG 01.5/02.4/08.5/10.8): negative values amounting to a total of CHF 4.2 billion and CHF 0.6 billion, respectively, were observed between 1990 and 2008. The recorded output for own final use (P.12) stood against insufficient wages and salaries (D.11), intermediate consumption (P.2) and consumption of fixed capital (P.51c). These have had to be reclassified from other functions (primarily second stage of tertiary education, COFOG 09.4.2 and other general services, COFOG 01.3.3) to basic research. Therefore, across all functions, the level of D.11, P.2 and P.51c has not changed as a result of this correction.
- Sickness and disability function (COFOG 10.1): in this function, negative values of CHF 2.4 billion in the cantons sub-sector have been corrected for the entire period. Cost sharing by the municipalities in favor of the cantons in the area of health insurance premium reductions and supplementary benefits in the context of disability insurance has been reclassified from payments of compensation (P.131) to transfers (D.73) in the cantons of Bern, Obwalden, Schwyz and Vaud, meaning that these transactions are classified in the same way in all cantons.
- Electricity function (COFOG 04.3.5): at Confederation level, the extraordinary revenue of CHF 324 million from the feed-in tariff remuneration in connection with the grid supplement fund has been reclassified from proceeds of market output (P.11) to taxes on products except VAT and import taxes (D.214) for 2022. In the cantons sub-sector (BS, VD and ZH), some revenue of a tax or levy nature totaling CHF 32 million has also been reclassified from proceeds of market output (P.11) to taxes on products except VAT and import taxes (D.214), rent (D.45) and other current taxes (D.59). Some electricity power plants and distribution grids in the municipalities sub-sector (cantons of VD, VS and GR) have also been identified as market producers, and around CHF 52 million in accumulated revenue surpluses in 2022 and 2023 has been derecognized from the general government sector.

3 Government final consumption expenditure (P.3), which is only determined for the ESA model, includes own output (P.1), plus the expenditure on products supplied to households via market producers, part of social transfers in kind (D.632), minus the proceeds from the sale of goods and services (P.11+P.12+P.131). P.3 may not be negative for each individual function in the general government sector.

Figure 13: COFOG

COFOG: Negative values (1990-2024)
Before 2025 revision

Function number	Description of function	Number of negative cases	Amount in mn
01.1.2	Financial and fiscal affairs	20	170
01.4	Basic research	32	4'153
01.5	R&D general public services	84	232
02.4	R&D defence	68	184
04.3.5	Electricity	86	1'107
04.5.1	Road transport	66	20'026
05.2	Waste water management	44	297
06.3	Water supply	56	247
08.5	R&D recreation, culture and religion	132	138
10.1	Sickness and disability	48	2'417
10.8	R&D social protection	72	23
	Other functions	318	575
Total		**1026**	**29'569**

COFOG: Negative values (1990-2024)
After 2025 revision

Function number	Description of function	Number of negative cases	Amount in mn
01.1.2	Financial and fiscal affairs	0	0
01.4	Basic research	0	0
01.5	R&D general public services	0	0
02.4	R&D defence	0	0
04.3.5	Electricity	58	707
04.5.1	Road transport	0	0
05.2	Waste water management	44	297
06.3	Water supply	56	247
08.5	R&D recreation, culture and religion	0	0
10.1	Sickness and disability	6	25
10.8	R&D social protection	0	0
	Other functions	312	622
Total		**476**	**1'898**

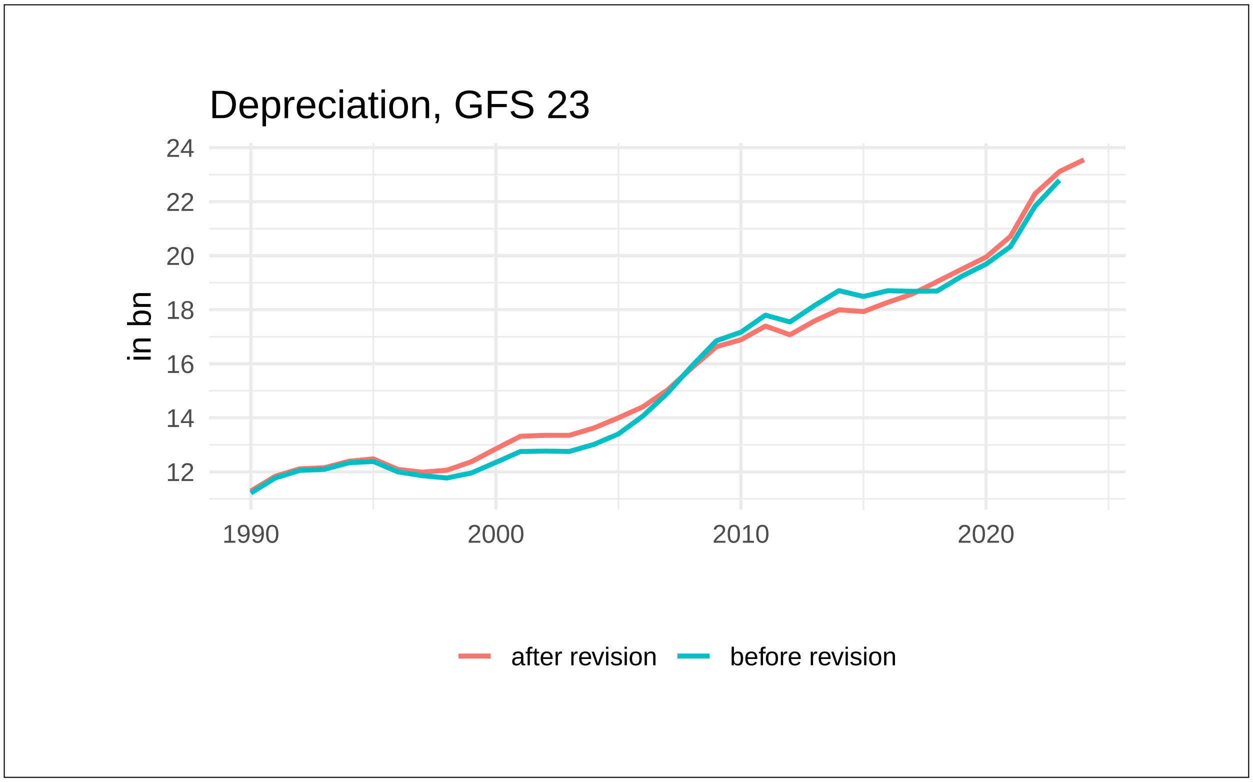
2.1.6 SRG SSR as a separate account in the Confederation sub-sector

SRG SSR is now classified as a unit in the general government sector, or as a separate account in the Confederation sub-sector. This structural adjustment affects the entire period of the data series and has an impact on various items in the GFS Model. In particular, the output and costs of SRG SSR are now recorded in the Confederation sub-sector, causing the Confederation's expenses and revenue to rise by around CHF 1.5 billion. At the same time, the previously reported subsidy expenses and revenue between the Confederation and SRG SSR in the amount of some CHF 1.2 billion are consolidated and therefore no longer apply, with the result that the additional expenses/revenue in the general government sector are around CHF 0.3 billion higher per year. The media levy is still recorded as tax revenue in the general government sector.

2.1.7 Consumption of fixed capital

An FSO estimate is used for consumption of fixed capital; this has been updated by the FSO with this revision. The depreciation of SRG SSR has been integrated, and research and development investments have been adjusted, causing an indirect impact on consumption of fixed capital. The revisions amount to as much as CHF 800 million per year. Consumption of fixed capital has been revised upward in the years up to 2007 and downward from 2008 to 2017. The years from 2018 onward have been revised slightly upward. Government final consumption changes accordingly to the same extent.

Figure 14



2.1.8 Financial services – insurance

In the area of financial services, an assumption regarding the recording of insurance benefits in the general government sector has been adjusted. As a result, intermediate consumption (GFS 22, ESA P.2) is between CHF 70 million and CHF 270 million lower for the cantons, and between CHF 30 million and CHF 130 million lower for the municipalities. Transfer revenue (GFS 1441, ESA D.75) is down by the same amount, with the result that net lending/borrowing remains unchanged following this methodology adjustment. The changes concern the entire publication period. In addition, insurance premiums and benefits have been revised for all sectors of government based on improved FSO estimates.

2.1.9 Financial services – investment funds

The indirect costs of investments via investment funds of the AHV/IV/EO funds are now recognized as consumption of services. Previously, these costs were netted against the investment return. As a result of the change, intermediate consumption (GFS 22, ESA P.2) is around CHF 20 million higher. The adjustment applies to the entire publication period.

2.1.10 Reclassification AF.4-AF.8

A review of the classification by financial instrument has resulted in various social security items that were previously reported as loans (GFS 6204/6304, ESA AF.4) now being allocated to other accounts receivable/payable (GFS 6208/6308, ESA AF.8). As a result, AF.4 is lower, while AF.8 is higher by the same amount; the maximum change is around CHF 2 billion. Financial net worth and net lending/borrowing are not affected by this reclassification. The adjustment concerns the period from 1999 to date.

Figure 15

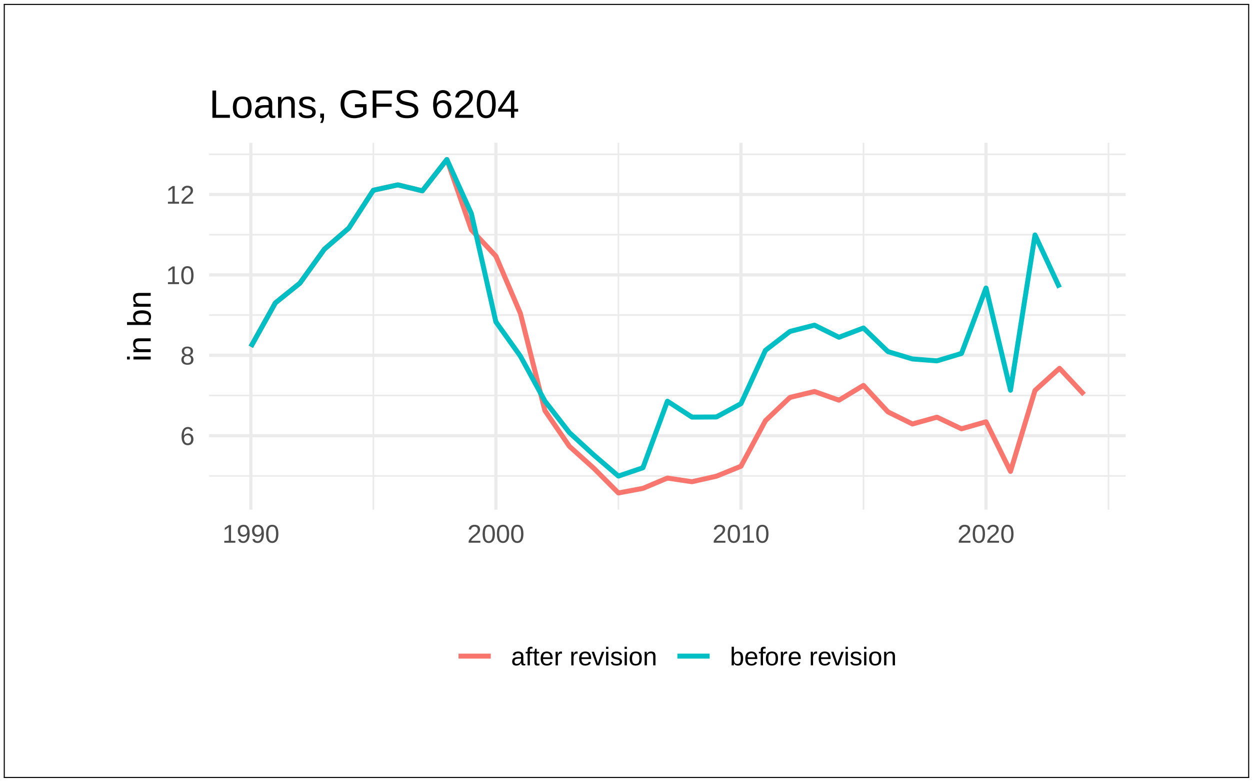
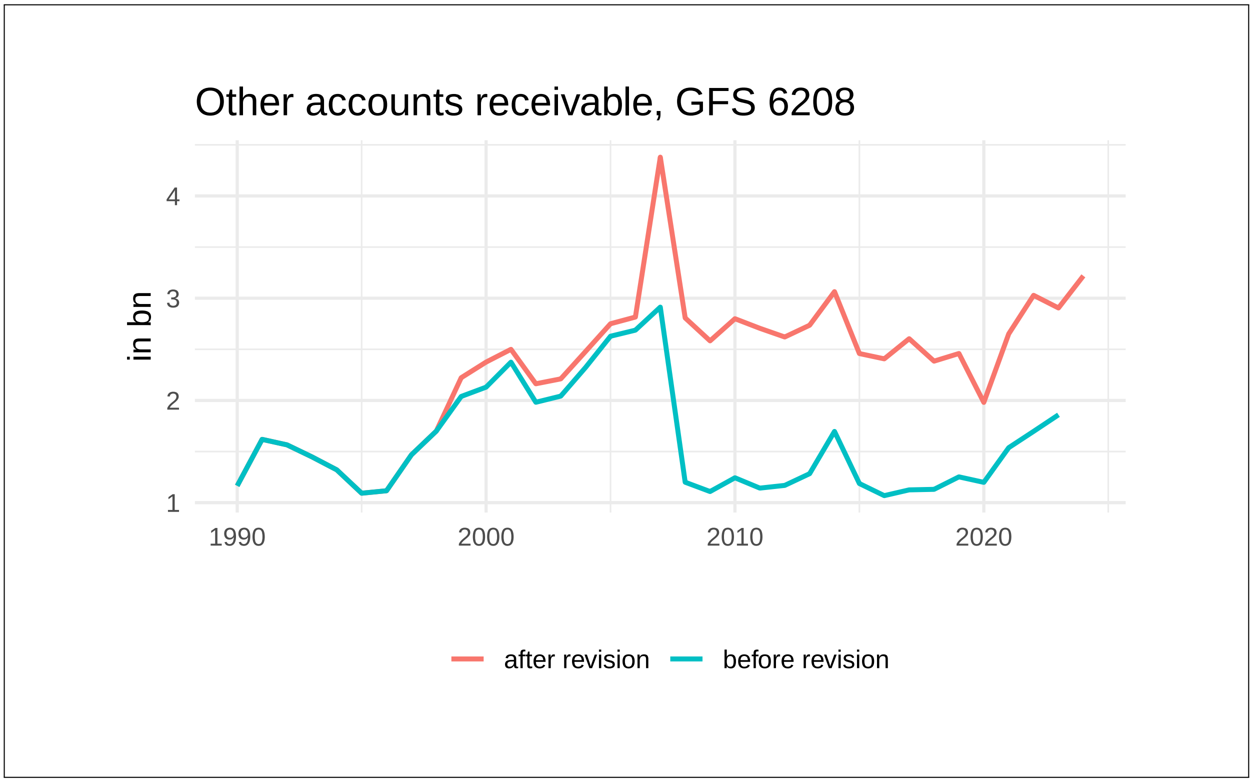


Figure 16



2.1.11 Cross-border commuters

The recording of transfers between Switzerland and neighboring countries in connection with unemployment benefits for cross-border commuters has been revised. Previously, these payments were recorded as other current transfers (GFS 2821, ESA D.759). They are now classified as transfers in the context of international cooperation (GFS 2611, ESA D.74). The reclassified amount is up to CHF 350 million per year from 1990 onward.

2.1.12 Monopoly levies of building insurers

The monopoly levies paid by cantonal building insurers to the relevant canton have been harmonized. The cantons previously used different accounting items. All monopoly levies are now recognized as dividends (GFS 1412, ESA D.421). This can be justified by the fact that the building insurers are either owned by the cantons or, if they are not corporations, pay income to the general government as independent entities. In addition, the time of recognition has been reviewed and adjusted if necessary, causing shifts between years. The transfer postings amount to an average of CHF 2 million per year and concern the cantons of Aargau, Jura, Luzern, Neuchâtel, Solothurn and Vaud, and the years 1995 to 2024.

2.1.13 Harmonization of net lending/borrowing

In the GFS and ESA models, net lending/borrowing can be calculated using both the financial and the non-financial side. Theoretically, both calculations should produce the same result. In practice, however, there are discrepancies due to different data sources, valuation methods and times of recording.

The largest discrepancies were analyzed as part of this revision. The main causes lie in the financial accounts. Series breaks caused by the introduction of the HAM2 (cantons and municipalities) and adjustments to the federal financial statements were observed. These series breaks have been classified as statistical changes, resulting in the figures for net lending/borrowing moving closer to each other.

2.1.14 Harmonization of the fiscal capacity utilization index

The FFA has been publishing the fiscal capacity utilization index separately for legal entities and individuals since 2024. This detailed information allows for a differentiated allocation of certain taxes between categories D.2 and D.5 in the international models. These breakdowns have been adopted in the GFS and ESA models with this revision.

2.2 Main adjustments in the national FS Model

Most of the revisions affect the international GFS and ESA models. However, some adjustments also impact the national FS Model, specifically:

- SRG SSR is recorded entirely in the Confederation sub-sector as a separate institutional unit
- Cost sharing by the municipalities in favor of the cantons of Bern, Obwalden, Schwyz and Vaud in the area of disability insurance has been reclassified from compensation (FS 4612) to transfers (FS 4632)
- The adjustment concerning cross-border commuters has been applied in full as transfers abroad (FS 3638), versus social transfers to households previously (FS 3637)
- The reclassifications between AF.4 and AF.8 in the GFS and ESA models for the social security sub-sector have led to reclassifications from trade receivables and current liabilities on trade accounts payable (FS 1010, FS 2000) to other receivables and other current liabilities (FS 1019, FS 2009)
- The revisions in 2023 are the result of better data due to new data deliveries from cantons and municipalities

The other adjustments mentioned in section 2.1 have no impact on the FS Model.

3 Revision of the quarterly data

The revision of the production of quarterly data pursues two objectives: to standardize the production of quarterly data across different products and to produce quarterly data for all four sub-sectors. To this end, adjustments have been made to the methodology and the process.

3.1 Methodology

The annual data is broken down into quarterly data using higher frequency indicators. Where possible, direct indicators from accounting data are used. In the absence of direct indicators, economic indicators are used. These are selected on the basis of economic theory, pseudo out-of-sample performance and in-sample significance. The Chow-Lin method is used for most time series. If there are no suitable indicators, the Denton-Cholette method is used for quarterly analysis.

3.2 New time series and revisions

Previously, quarterly data was available only for the Confederation and social security sub-sectors. With the systematic breakdown into quarters, the general government's other sub-sectors (cantons and municipalities) are now compiled as well. As a result, the published scope of the following Eurostat tables covers all sub-sectors.

- T25 Non-financial accounts sequence[4]
- T27 Financial balance sheets and financial accounts[5]

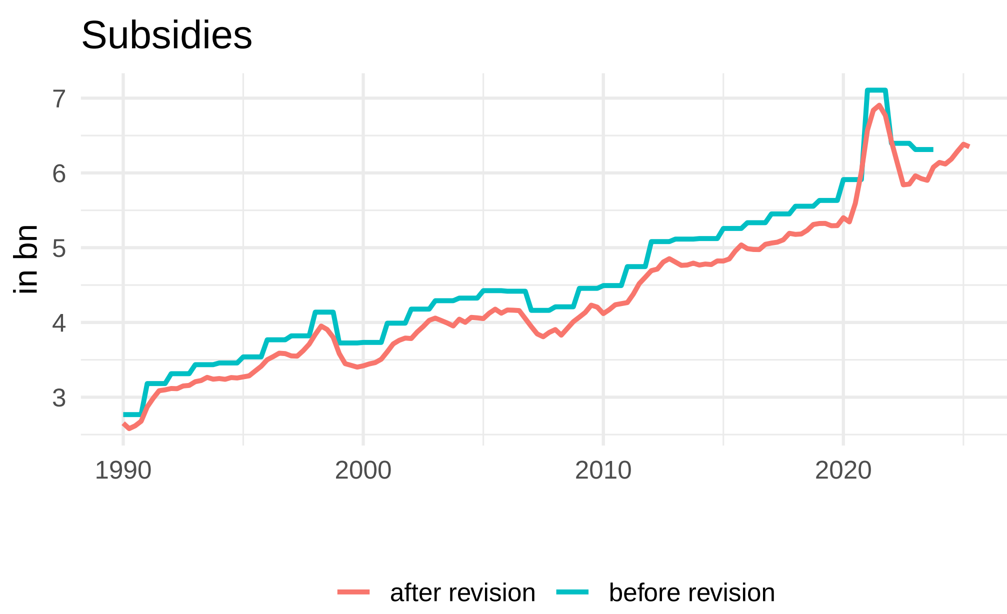
The switch to compiling quarterly data at sub-sector level means that almost all previously published quarterly series have been revised somewhat. Further changes result from methodology clarifications and the use of new indicators.

3.3 Effects of the revision on subsidies

The revision of quarterly data affects the quarterly trend of subsidies. The method used previously resulted in a stepwise quarterly trend. Within a given year, all quarterly values were identical. This is no longer the case. In addition, the use of new indicators leads to fewer revisions for the latest data. The level shift in the chart 17 is due to the revision of the annual figures.

4 https://ec.europa.eu/eurostat/databrowser/view/gov_10q_ggnfa/default/table?category=gov.gov_gfs10.gov_10q
5 https://ec.europa.eu/eurostat/databrowser/view/gov_10q_ggfa/default/table?lang=en&category=gov.gov_gfs10.gov_10q

Figure 17


Subsidies
in bn
7
6
5
4
3
1990
2000
2010
2020
after revision
before revision