

PUBLIC EXPENDITURE ACCORDING TO COFOG	
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DEVELOPMENT FIELD	Efficient and cheaper government – Quality of public finance
DESCRIPTION OF INDICATOR	<p><u>Definition:</u></p> <p>Public expenditure according to the Classification of the Functions of Government as a share of GDP: the indicator compares the expenditure of the general government sector by function with gross domestic product. The general government sector expenditure according to COFOG is classified in the following categories: (i) general public services, (ii) defence, (iii) public order and safety, (iv) economic affairs, (v) environmental protection, (vi) housing and community amenities, (vii) health, (viii) recreation, culture and religion, (ix) education and (x) social protection. General government sector expenditure is determined on the basis of the Eurostat's methodology of the European System of National and Regional Accounts 1995 (ESA-95) which applies in all EU countries to allow high international data comparability. According to this methodology, the general government sector includes all institutional units which are other non-market producers whose output is intended for individual or collective consumption, which are financed by compulsory payments, and all institutional units that are principally engaged in the redistribution of national income and wealth. In addition to the four general government accounts (national and local budgets, the compulsory health insurance fund, and the pension and disability insurance fund), the general government sector also includes public funds, among them the Capital Company (the KAD) and the Slovenian Restitution Company (the SOD) as well as public agencies. The ESA-95 methodology is based on the accrual principle, which means that all revenues and expenditures are recorded at the moment when assets or liabilities occur rather than when they are paid.</p> <p><u>Detailed methodological explanations:</u></p> <ul style="list-style-type: none"> – The methodological framework is provided by the European System of National and Regional Accounts 1995 (ESA-95) and the Classification of the Functions of Government (COFOG) of the United Nations (1999). <p><u>International comparability:</u> The methodology of recording expenditure according to the functional classification of public expenditure applies in all EU member states under constant supervision of the Eurostat, which ensures a high level of data comparability at the EU level.</p> <p><u>Manner of presentation:</u> aggregately for the whole general government sector</p> <p><u>Unit of measurement:</u> % of GDP</p>

SOURCE OF DATA FOR SLOVENIA	<i>Institution:</i> – SORS (GDP, General Government Expenditure by Function) <i>Updating frequency:</i> annually
AVAILABLE TIME SERIES FOR SLOVENIA	2000 – 2005
INTERNATIONAL COMPARISONS	EU (by country and as a whole); <i>source:</i> Eurostat portal: Economy and Finance – Government Statistics (Annual government finance statistics – General government expenditure function COFOG) http://epp.eurostat.ec.europa.eu