

Consolidation Concepts for Multinational Enterprises in Macroeconomic Statistics Frameworks

Manik Shrestha
IMF

Recommendation 13 of the report “The Financial Crisis and Information Gaps” prepared by Financial Stability Board (FSB) Secretariat and International Monetary Fund (IMF), which was endorsed by the G-20 finance ministers and central bank governors in November 2009, seeks to address data gaps with respect to cross-border exposures of non-financial and financial corporations. Specifically, the recommendation states that the Inter-Agency Group on Economic and Financial Statistics (comprising the Bank for International Settlements, European Central Bank, Eurostat, IMF, OECD, United Nations, and World Bank) will “investigate the issue of monitoring and measuring cross-border, including foreign exchange derivative, exposures of non-financial, and financial, corporations with the intention of promoting standardized reporting guidance and the dissemination of data.” Accounting and measurement of financial exposures on a globally consolidated basis are not well developed. This paper describes the consolidation concepts underlying in current macroeconomic statistics manuals and discusses issues in developing globally consolidated financial positions for financial and nonfinancial enterprises.