

# Taking a balance sheet approach to the COVID-19 crisis

**Alex Metcalfe**  
**Head of public sector policy**  
**ACCA**

## Our global reach in numbers

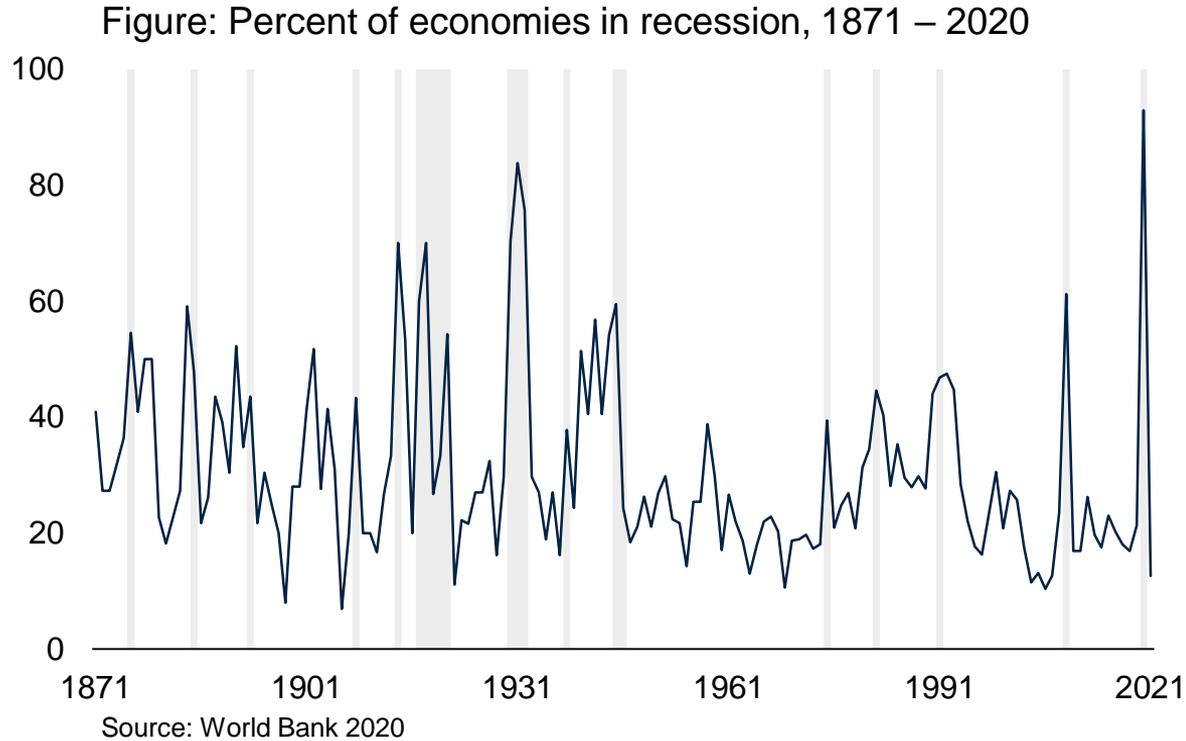
**227,000**  
members  
and  
**544,000**  
students  
in **176** countries

**67,000** public  
sector member  
and students  
around the world

**110**  
offices and  
centres  
in **49** countries

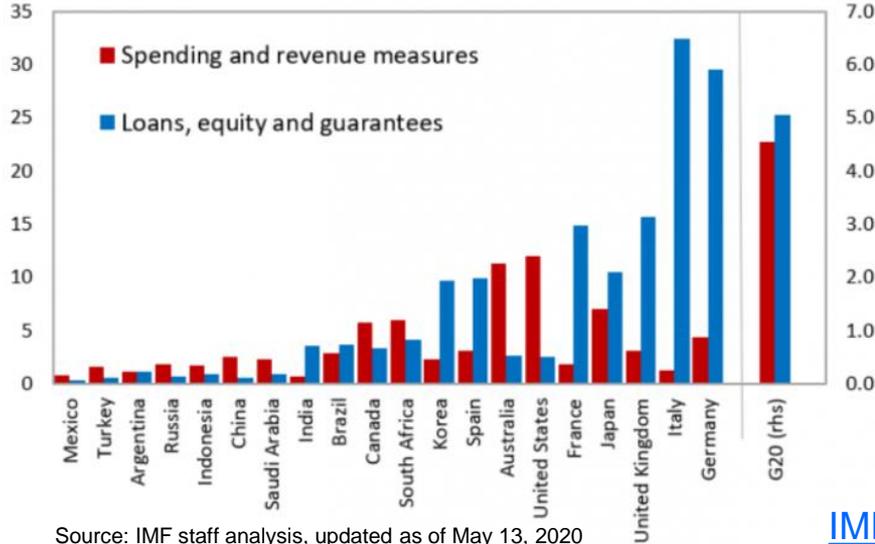
Over **100** years'  
of working with  
governments to  
support better  
PFM.

## A new economic reality for public finance



# An unprecedented fiscal intervention

Figure: Announced fiscal measures in G20 countries (% of GDP)



Source: IMF staff analysis, updated as of May 13, 2020

- A global fiscal response of \$9tn
  - Above the line (eg, transfers to firms and households, additional health care spend): \$4.4tn
  - Below the line (loan guarantees, equity injections, convertible loans): \$4.6tn

[IMF Policy Tracker](#) – policy responses to COVID-19

## Taking the net worth perspective: Turkey

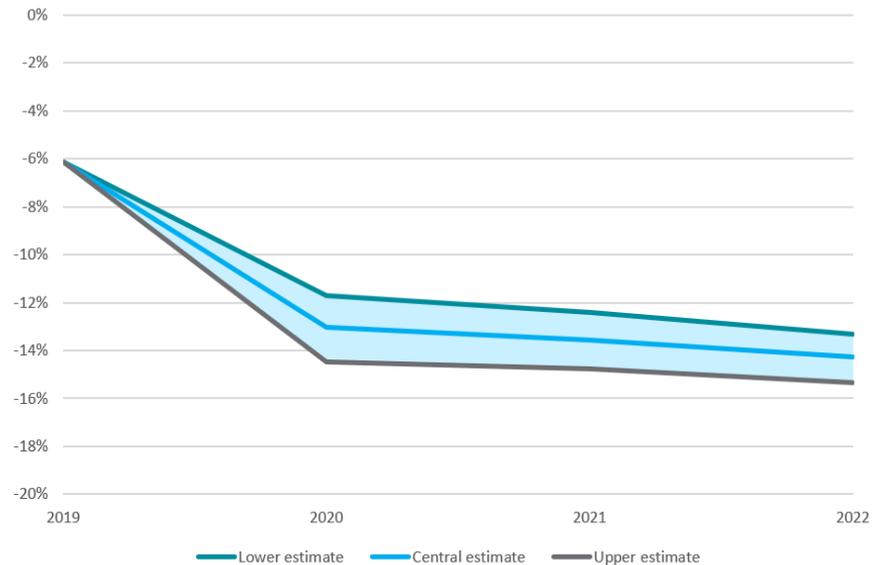
In 2019, Turkey had:

- Gross liabilities: 30% of GDP; and
- Financial & produced assets: 24% of GDP.

**Table: Scenarios for Turkey's fiscal response to the pandemic**

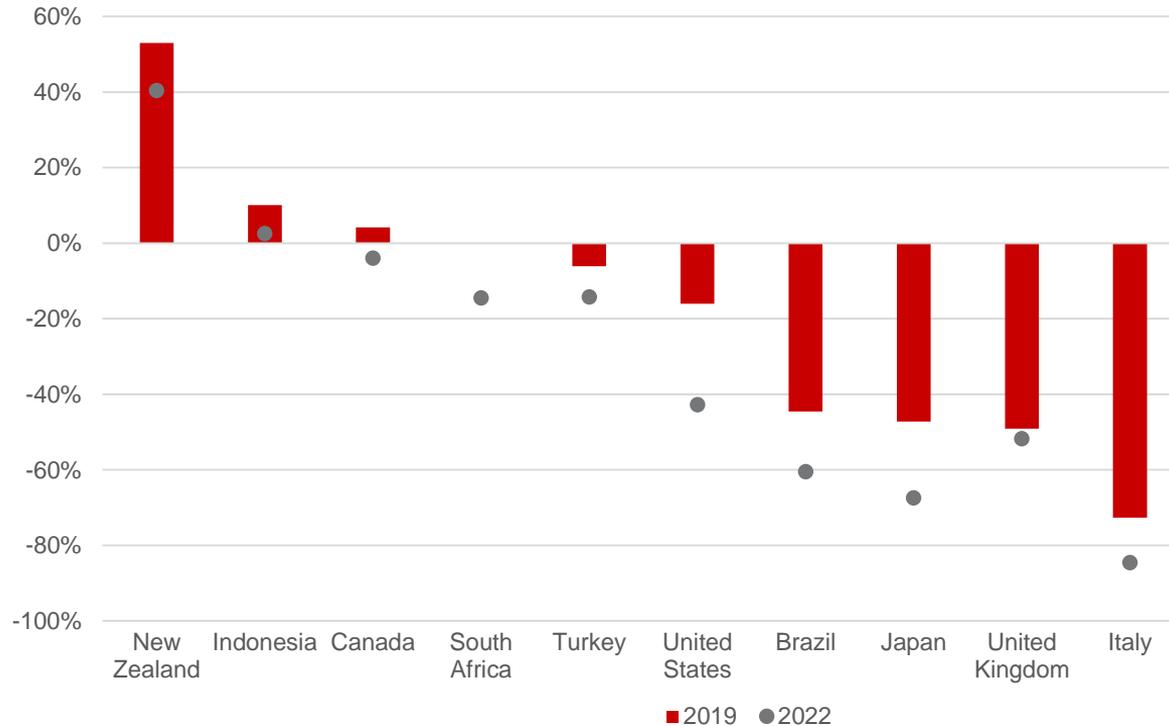
Scenario	Size of fiscal response	Share of 2019 GDP
Lower estimate	TL172 billion	4.1%
Central estimate	TL232 billion	5.4%
Upper estimate	TL298 billion	7.0%

**Figure: Projections for the Turkish government's net worth as a share of GDP**

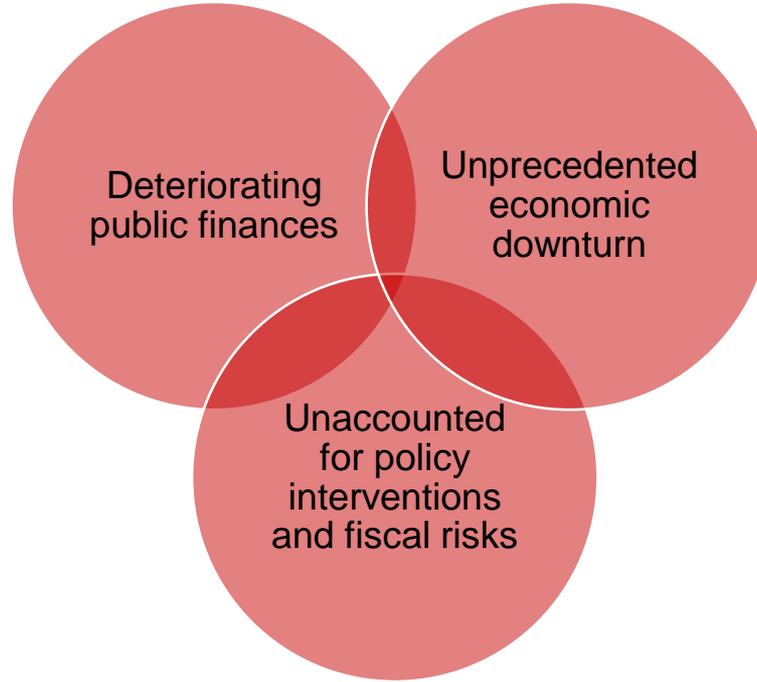


# Effect of COVID-19 on government balance sheets

Figure: Government net worth to GDP, Central scenario, 2019 & 2022

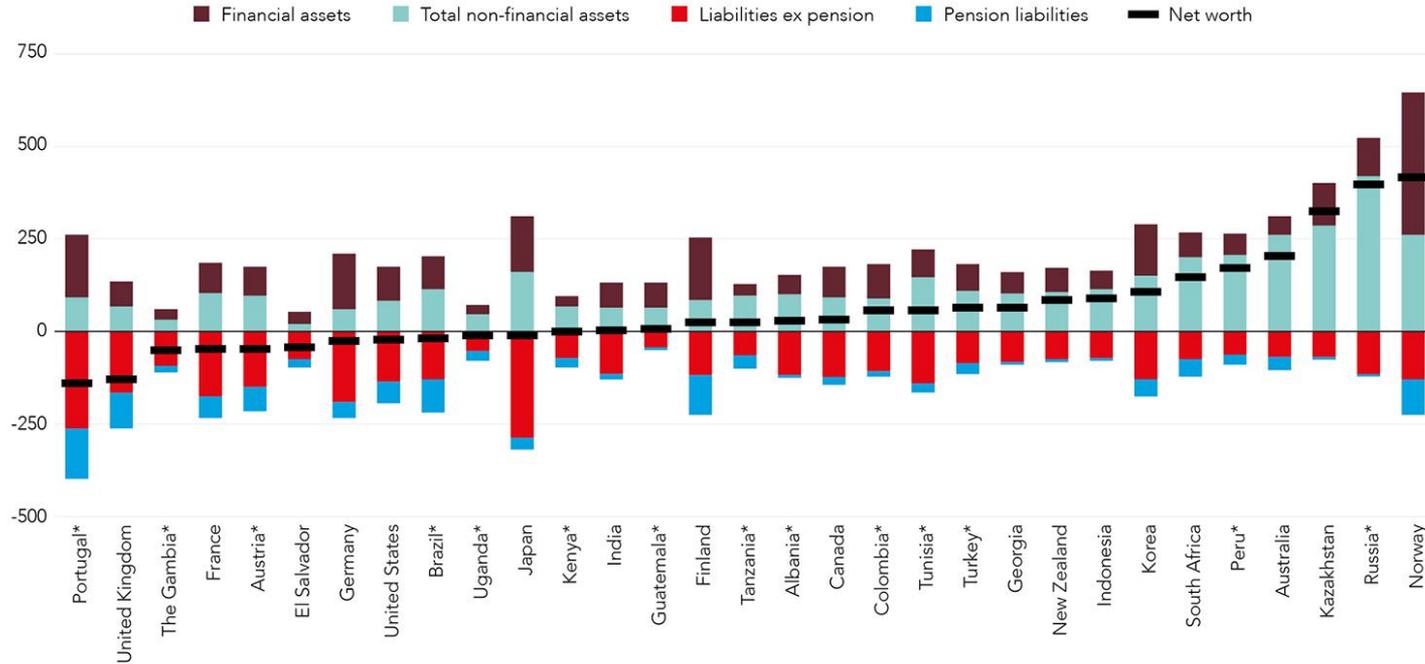


# The challenging context for building back better



It's time to drop debt-to-GDP ratios...

## ... and focus on public sector net worth



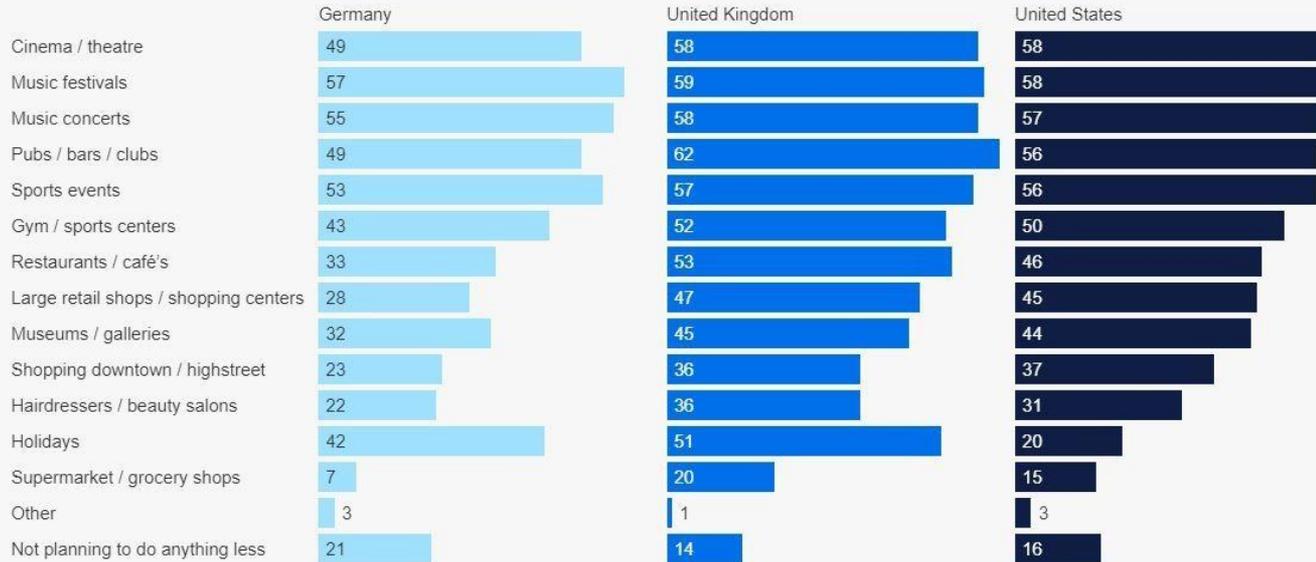
Source: IMF staff estimates.

\*Based on a single year of data, in most cases compiled as part of the Fiscal Transparency Evaluation: Albania, 2013; Austria, 2015; Brazil, 2014; Colombia, 2016; The Gambia, 2016; Guatemala, 2014; Kenya, 2013; Peru, 2013; Portugal, 2012; Tanzania, 2014; Tunisia, 2013; Turkey, 2013; Uganda, 2015.

# From bridging the gap to big strategic choices

## Activities people will avoid when COVID-19 restrictions are lifted

Thinking about once the restrictions are lifted, which of the following are you likely to try and avoid for the time being, because of coronavirus / COVID-19? (as of May 31)



Updated daily; date of survey: May 25 to 31, 2020; 2,137 respondents; 18 years and older; online survey; multiple answers were possible

Source: [Statista Survey](#)



Think Ahead

Thank you for joining us today.

Twitter: @AMetcalfeACCA

LinkedIn: ametcalfe-acca

E: [alex.metcalfe@accaglobal.com](mailto:alex.metcalfe@accaglobal.com)

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