

# Key Issues for Discussion

11th Korea-OECD International Forum on Budgeting

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**An  
Accounting  
of Public  
Finances**

**Sets  
Government  
Priorities**

**Vehicle  
for Effecting  
Change**



## A Challenging Policy Environment

High Deficits and High Debt

Mounting Spending Pressures

Need to Ensure Fiscal Sustainability

Lack of Public Support for Fiscal Reforms



# Compelling and Significant Spending Pressures

Health Care and Long-Term Care	Old-Age Pensions	Green Transition	Defence Expenditure	Interest on Debt
+4.7 p.p. of GDP by 2040	+1.2 p.p. of GDP by 2040	?	2% of GDP for NATO Members	Massive Impact of each p.p. increase in interest rates



# Means to Ensure Fiscal Sustainability

Increase taxes  
and other  
revenue



Reallocate  
spending from  
lower priorities

Target public  
spending to  
those in need



Identify  
Efficiency gains



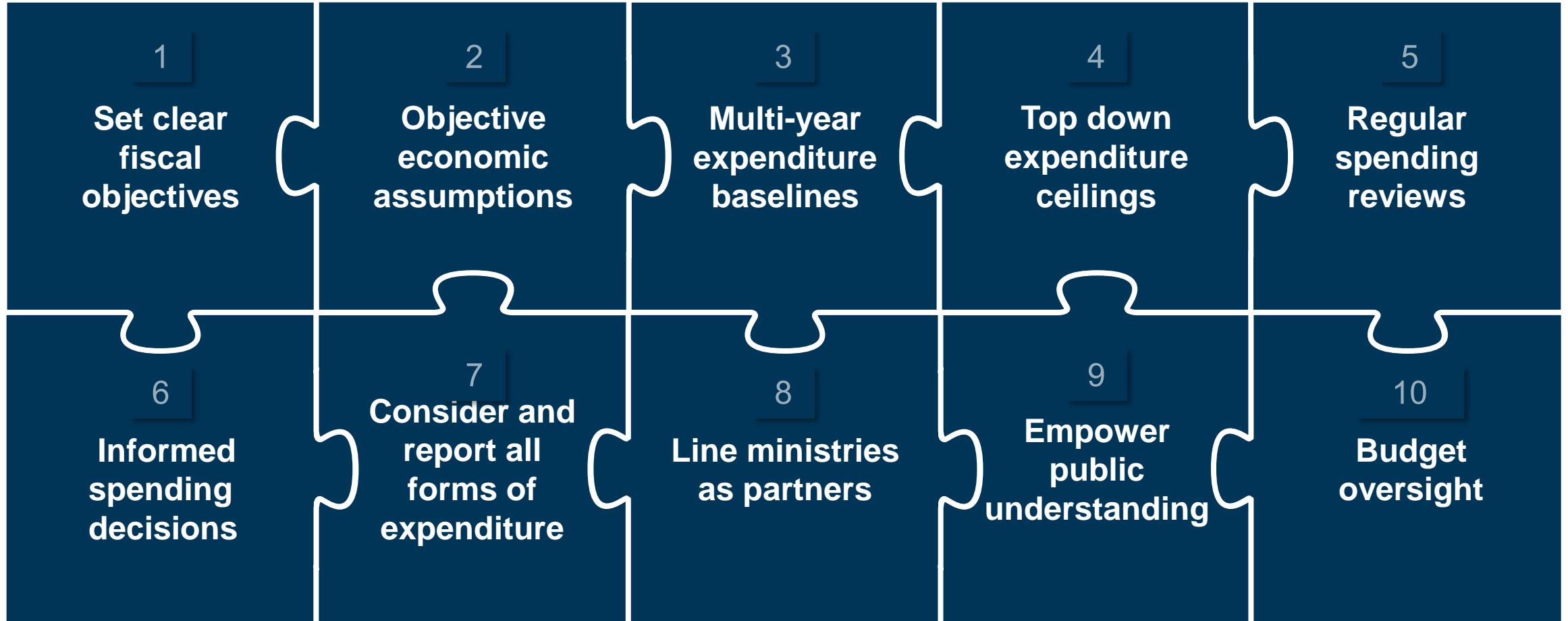
Quality  
Budget  
Institutions

Empowering  
Public  
Understanding

*- Generating the will to tackle  
fiscal challenges*



# OECD Spending Better Framework





# Public Engagement



# Thank you

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