Minutes of the Meeting of Inter-Agency Task Force on Finance Statistics

Bank for International Settlements, Basel, Switzerland
March 19-20, 2009

Prepared by the Statistics Department
International Monetary Fund

The views expressed herein should not be attributed to Inter-Agency Task on Finance Statistics (TFFS) nor to the institutions represented at the TFFS. Please address any questions or comments to tffs@imf.org.
# Contents

<table>
<thead>
<tr>
<th>Introduction</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occasional Reports on Activities of TFFS agencies</td>
<td>3</td>
</tr>
<tr>
<td>Public Sector Debt Guide</td>
<td>7</td>
</tr>
<tr>
<td>Handbook on Securities Statistics</td>
<td>7</td>
</tr>
<tr>
<td>Extension of the Coverage of GDDS Countries in the QEDS</td>
<td>8</td>
</tr>
<tr>
<td>JEDH—Developments since the Last Meeting and Review of Service Level Agreement</td>
<td>9</td>
</tr>
<tr>
<td>DRS—Domestic Debt Reporting Issues</td>
<td>10</td>
</tr>
<tr>
<td>Update of the <em>External Debt Guide</em> on Issues Emerging from <em>BPM6</em></td>
<td>11</td>
</tr>
<tr>
<td>TFFS Website</td>
<td>12</td>
</tr>
<tr>
<td>Capturing Private Sector External Debt Data</td>
<td>13</td>
</tr>
<tr>
<td>Financial Crisis and Additional Data Needs</td>
<td>14</td>
</tr>
<tr>
<td>Relation between the Output of the Debt Recording Software and its Use</td>
<td>14</td>
</tr>
<tr>
<td>Forward Work Program of Task Force</td>
<td>15</td>
</tr>
<tr>
<td>Next Meeting</td>
<td>15</td>
</tr>
</tbody>
</table>

**Appendix:**

| Final List of Participants | 16 |
Minutes of the Meeting of Inter-Agency Task Force on Finance Statistics
Bank for International Settlements, Based, Switzerland,
March 19-20, 2009

Introduction

This note provides a summary of the discussion, agreements, and actions arising from the meeting of the TFFS hosted by the BIS at its headquarters in Basel, Switzerland, during March 19-20, 2009. In his opening remarks, Philippe Mesny welcomed the Task Force and expressed that BIS was honored to host the meeting and well committed to continue actively participating in TFFS activities. The meeting was chaired by Lucie Laliberté, Deputy Director, IMF Statistics Department (STA). Ms. Laliberté thanked the BIS for the excellent arrangements for the meeting and highlighted the participation of all nine agencies in the 2009 TFFS meeting (including the World Bank by teleconference later in the day). The list of participants is in the Appendix.

Among the achievements in the TFFS work since the previous meeting, the IMF highlighted the launch of the TFFS website, as a result of the agencies’ cooperative effort, and the revised annotated outline of the Public Sector Debt Guide—based on comments from most TFFS agencies—and a draft of its first two chapters. The IMF also underscored (i) the preparation of the paper for the agencies’ review on the update of the External Debt Guide on issues emerging from the adoption of BPM6; (ii) the release of a draft of the Handbook on Securities Statistics-Part 1, which is close to be finalized with BIS in the lead; (iii) the extension of the QEDS to 41 GDDS countries, with data for 19 of them having already been posted; (iv) ComSec and UNCTAD’s work to enhance quality of data reporting based on the External Debt Guide, and their support of the GDDS/QEDS project; (v) the agencies’ continuous work in the JEDH; (vi) OECD’s efforts in processing two additional years of bilateral loans data (2006-2007) for posting to the JEDH; (vii) the dissemination for the first time on the Paris Club website of data on the total claims held by Paris Club creditors on each debtor country; and (viii) the excellent work of ECB and Eurostat in their areas of responsibility.

Thursday, March 19

Occasional Reports on Activities of TFFS agencies

The agencies had distributed their occasional reports prior to the meeting and reported on data activities since April 2008.

Philippe Mesny (BIS) updated the TFFS on BIS activities related to international banking statistics, debt securities, foreign exchange and derivatives, and trade data (TFFS 09/04). Regarding international banking statistics, BIS informed that currently 41 economies participate in the locational statistics and 30 economies in the consolidated statistics; Cyprus would initiate participation in 2009 and South Africa possibly in 2010; and China, Russia, and Saudi Arabia have reconfirmed interest in joining the banking statistics reporting system. Updated reporting guidelines for international banking statistics were posted in January 2009,
and an update of the 2003 BIS Paper No 14 on international financial statistics will be posted shortly. Regarding domestic debt securities issues, the BIS has continued efforts to identify and improve data sources in each country (currently, 49 countries) and to use up-to-date standards, including the template of the Handbook on Securities Statistics. Regarding derivatives statistics, BIS is preparing the 2010 Triennial survey on foreign exchange and derivatives and will enhance the semiannual OTC/CDS survey, in line with the recommendations of the Committee on Global Financial System (CGFS) working group. Regarding export credit data, the BIS now receives regularly Berne Union data for the provision of insured export credit exposures, for which increased interest from users has been identified, and will help to overcome technical limitations for updating historical OECD trade credits data in the JEDH.

Eduardo Valdivia-Velarde (IMF) informed on IMF activities related to the SDDS/GDDS, methodology, external debt data, other data availability, and training (TFFS 09/03). The IMF informed that the Seventh Review of the Fund’s Data Standards Initiatives by the Executive Board in December 2008 focused on strengthening the data dissemination aspect for the GDDS, and on identifying deviations from international standards and promoting data quality assessments for the SDDS. Currently, there are 64 SDDS subscribers and 94 GDDS economies, including three new participants in 2008 (Bahrain, San Marino, and the UAE). Regarding methodological work, the IMF highlighted the preparation of the “pre-publication” draft BPM6 posted on the IMF website in December 2008, the paper on the Update of the External Debt Guide on issues emerging from BPM6 to be posted on the TFFS website, and the revised annotated outline and drafts of the first two chapters of the Public Sector Debt Guide. Regarding external debt data, the IMF underscored work on JEDH issues, the World Bank debtor database, the SDMX project, and the first private trade finance survey conducted by the IMF (SPR) in December 2008, which focused on trends in the cost and provision of trade finance by banks in advanced countries and EMEs. The IMF informed on projects geared toward improving the availability of other data—expanding country coverage of IIP data reported to the Fund (currently, 116 economies compared to under 40 economies in 1998), development of IIP world data and regional tables, the CPIS improvements project, reserves data reported to the Fund, and the CDIS to be undertaken in 2010 with respect to end-2009 position data. Over 130 economies expressed interest in participating in the CDIS, most of whom attended regional workshops on CDIS in 2008. Training on external debt statistics was reduced to accommodate training in BPM6; only one regional course was conducted in 2008 (India, September) in collaboration with the BIS, ComSec, and UNCTAD. Two courses are scheduled for 2009. As, usual, TFFS agencies will be invited to participate.

Yasmin Ahmad (OECD) updated the TFFS on OECD work on official bilateral loans, export credit and the OECD-Italian network for public debt management (TFFS 09/07). At the end of 2004, OECD suspended its work on external debt of developing countries and countries in transition due to budgetary constraints. Regarding official bilateral loans stock data, OECD informed that significant progress was made. With a special financial contribution from Austria, OECD provided 2004-2005 data in July 2008. Nevertheless, due to technical problems related to the format, these data were not uploaded to the JEDH. OECD also informed that the 2006–2007 stock data will be available for the JEDH in mid-2009, and that—despite the absence of specific funding for this task—the DAC secretariat would do its
best to continue providing these data on a regular basis to the JEDH. Regarding exports credit data, OECD informed that flows data are processed by the Export Credits Division and were supplied regularly to the World Bank and IMF for use in the DSA. Nevertheless, due to resources constraints, OECD is not in a position to indicate when work on stock data might be resumed. Increasing demands for exports credit data from the IMF, World Bank, and export credit agencies were acknowledged. Regarding the OECD-Italian network, OECD informed that there was no major change from the situation reported at last year’s meeting.

Marta Rodríguez (ECB) informed on developments on the quarterly integrated Euro area accounts, government finance statistics (GFS), balance of payments, and the central securities database (TFFS 09/06). ECB highlighted the importance of the integrated Euro accounts for ECB’s monetary policy as well as in the context of financial stability. ECB underscored the collection of GFS quarterly and annual data from Euro area members and the 11 non-Euro area countries, the ongoing development of high-frequency fiscal indicators, government quarterly debt data by financial instrument, the ECB’s second version of the 2008 GFS Guide published in December 2008, and the ongoing Eurostat/ECB work on government pension and social security liabilities. ECB informed that no major development was made in balance of payments statistics since the last year’s meeting. ECB informed on the continued work on the centralized securities database (CSDB) project, which involves the active participation of the European System of Central Banks and some EU national statistical institutes.

Christine Gerstberger (Eurostat) informed on ongoing Eurostat initiatives in relation to the financial crisis (TFFS 09/10). Eurostat highlighted that a Task Force was established in late 2008 to clarify the statistical treatment of bank and other market support operations and the accounting consequences for government. While the principle is to safeguard the existing surveillance framework and respect the ESA 95 accounting rules, the European Statistical System (ESS) action plan sets in place a framework (including basic and operational principles) for dealing with the statistical aspects of the turmoil. Eurostat underscored other statistical issues, including the recent creation of a dedicated section of the Eurostat website to give access to information on various aspects of the crisis, including links to the ESS action plan and key short-term indicators (e.g., GDP, private consumption, unemployment). Eurostat noted that the provision of methodological guidance is taking on increasing importance.

Nicolas Grislain (Paris Club Secretariat) made a presentation on the Paris Club’s main data collection and dissemination activities (TFFS 09/24). The Paris Club Secretariat underscored that, in addition to traditional rescheduling arrangements, other operations related to debt management have been implemented (debt prepayments, debt swaps, and securitization of Paris Club claims). The Secretariat highlighted that the Paris Club is a natural place for data sharing, including (i) detailed data reported—both from creditors and the debtor country—needed for debt treatment and other related operations, and (ii) data dissemination among creditors, and since 2008, public disclosure of aggregate annual stock data by debtor countries, disaggregated into official development assistance (ODA) and non-ODA. The TFFS welcomed the Paris Club efforts to disseminate aggregate stock data on Paris Club claims by debtor countries, and suggested that these data be included in the JEDH.
Arindam Roy and Walton Gilpin (ComSec) informed on ComSec’s main activities in 2008 (TFFS 09/05). ComSec highlighted its active involvement in TFFS activities related to external debt statistics, through (i) sensitizing CS-DRMS users to the guidelines of the *External Debt Guide*; (ii) participation in the IIP/external debt course organized by the IMF in Pune, India, in September 2008; (iii) organizing a three-day seminar on “QEDS/GDDS initiative and external debt reporting” in London in December 2008, after which nine countries decided to participate in the QEDS; (iv) participation at the meeting of the working group of securities statistics organized by the BIS in Basel in October 2008; and (v) participation in the World Bank Conference on SDMX held in Paris in January 2009. ComSec informed that the CS-DRMS 2000+ was released in March 2008, and the securities auction system in April 2008. ComSec has intensified its assistance in domestic debt management and training in domestic debt markets, debt management strategies, monitoring private sector debt, and capacity building in debt sustainability analysis. An e-learning course in debt management will be piloted this year.

Balliram Baball (UNCTAD) informed on DMFAS activities during 2008 (TFFS 09/08), including (i) the installation of the DMFAS 5.3 in seven additional countries, bringing the number of active DMFAS users to 66 countries and 101 institutions; (ii) work towards the release of the full version of DMFAS 6 in the last quarter of 2009, which includes a debt securities auction module, non-guaranteed private external debt and short-term debt, debt portfolio analysis and risk assessment, and data validation modules; (iii) providing online advice to DMFAS users, and assisting some user countries in the preparation of statistical bulletins; and (iv) cooperation with international agencies, including support to the QEDS initiative to collect data from GDDS economies (24 of the 41 GDDS countries that have accepted to participate by mid-March 2009 are DMFAS user-countries), and active participation in activities with the World Bank, IMF, INTOSAI, BIS, UNDP, Debt Relief International, LAC Debt Group, Inter-American Development Bank, MEFMI, Pôle-Dette, and the US Treasury.

Ibrahim Levent (World Bank) reminded TFFS agencies through teleconference that the World Bank’s Occasional Report (TFFS 09/07), distributed prior to the meeting, provided an overview of progress in World Bank’s work on external debt data dissemination, including (i) Global Development Finance 2009; (ii) Little Book of External Debt 2009; (iii) extension of the QEDS to GDDS countries; (iv) the enhancement of the JEDH; and (v) the DeMPA.

**Action points**

1. The OECD will inform on progress made to resume the processing of export credits stock data at the next TFFS meeting.

2. The IMF and the World Bank will coordinate with the Paris Club the best way to post on the JEDH annual data on the total claims held by Paris Club creditors on each debtor country (including metadata), available at the Paris Club website.
3. The IMF will report on progress made in the preparation of IIP world data and regional tables at the next TFFS meeting.

**Public Sector Debt Guide**

Isabel Rial (IMF) presented for discussion the revised annotated outline and a draft of the first two chapters of the Public Sector Debt Guide (TFFS 09/11), based on comments received from TFFS agencies. The IMF explained that the revised version now includes the entire public sector (financial and nonfinancial). The TFFS broadly agreed with the revised annotated outline and that agencies would send their comments on the draft of the first two chapters and identification of agencies’ intended specific contributions (boxes, tables, case studies/country experiences) in April 2009. Extensive discussion on possible boxes, tables, and case studies was held. The TFFS agreed to include an additional appendix on the work of TFFS agencies on public debt statistics that would draw upon agencies’ contributions. The TFFS emphasized that the public sector debt guide be consistent with BPM6 and 2008 SNA and other manuals including the GFSM 2001 and the External Debt Guide. It was agreed that BIS and ECB will carefully review the consistency with the Handbook on Securities Statistics. The TFFS highlighted the importance of the public sector debt guide being a cooperative effort of all agencies, as was the case with the External Debt Guide.

**Action points**

4. Agencies will send comments on the first two chapters and identify their intended specific contributions (boxes, tables, case studies, country cases) to the public sector debt guide in April 2009.

5. The IMF will identify the timetable for drafting the additional chapters/appendices of the public sector debt guide to facilitate agencies’ interaction in the writing process.

6. The IMF will prepare an additional appendix on the work of TFFS agencies on public debt statistics that would draw upon agencies’ contributions to be provided according to the above mentioned timetable.

7. The IMF will prepare a full draft version of the public sector debt guide for agencies’ review at the 2010 TFFS meeting.

**Handbook on Securities Statistics**

Christian Dembiermont (BIS) made a presentation on the Handbook on Securities Statistics (TFFS 09/12). The Handbook is being jointly drafted by the BIS, ECB, and the IMF. The BIS underscored that the main objective of the Handbook is to improve information on securities markets and develop a conceptual statistical framework for the presentation of securities issued and held. The BIS informed that the final draft of Part 1 of the Handbook—intended to be posted on the IMF website in April 2009—focuses on broad conceptual issues related to the presentation of position and flow statistics on debt securities issues. The Handbook includes a detailed presentation table based on the residence of the issuer.
(disaggregated into residents and nonresidents, and further broken down by institutional sector for residents) and the location of issuance (disaggregated into domestic market and international market, further broken down by currency, maturity, and interest rate). The BIS highlighted that the Handbook is harmonized with 2008 SNA and BPM6, and consistent with the External Debt Guide and other manuals. The BIS also informed that additional topics for the next parts of the Handbook will be developed during May-December 2009, including equity securities and securities holders. The TFFS observed that the presentation table included in Part 1 of the Handbook does not directly relate to external debt, for which the portion of debt securities issued by residents and held by nonresidents would need to be identified (regardless of the location of issue—domestic or international markets).

8. The BIS will make a presentation on further progress on the Handbook on Securities Statistics at the next TFFS meeting.

Extension of the Coverage of GDDS Countries in the QEDS

Ibrahim Levent (World Bank) informed on progress made on the project of extending the QEDS to GDDS countries (TFFS 09/14). The World Bank informed that at mid-March 2009, 41 GDDS countries have agreed to participate in the GDDS/QEDS database, and data for 19 countries have been posted. Eduardo Valdivia-Velarde (IMF) highlighted that, along with the quarterly public and publicly-guaranteed mandatory external debt data (Table 1) provided by these countries, most of them have also reported data for Table 2 (debt-service payment schedule), Table 3 (creditor sector information), and Table 4 (instrument breakdown). The TFFS welcomed the significant progress made by the World Bank, for which the active collaboration of ComSec and UNCTAD has been quite important.

The World Bank proposed the following next steps: (i) encourage countries that have agreed to provide data to do so (July 2009) and (ii) encourage the participation of countries that have not yet responded to the invitation to participate (December 2009). In addition, efforts to promote participation of six SDDS subscribers that are not currently reporting data to the QEDS should also be considered.

The TFFS fully supported the World Bank’s proposed way forward to further improve the QEDS coverage (both in terms of participating countries and data availability), and considered it to be one of the TFFS high-priority activities. Special emphasis was agreed to foster the participation of LICs (particularly HIPC post-completion point countries), and a few other economies. ComSec mentioned that a workshop similar to the one held in London in December 2008 could be organized during 2009, with the participation of the World Bank and the IMF, to encourage participation of CS-DRMS users that have not yet accepted the invitation to participate. Similar activities would be considered by UNCTAD.

Action points

9. ComSec and UNCTAD will continue promoting participation in the GDDS/QEDS through national and/or regional workshops.
The World Bank and the IMF will continue participating in activities promoting the QEDS database, including one-day workshops, and will report on progress in extending the coverage of GDDS countries in the QEDS at next year’s TFFS meeting.

The World Bank and the IMF will encourage GDDS countries that do not currently report data to the QEDS to begin doing so; making emphasis on about 15-20 LICs (particularly, HIPC post-completion point countries) and a few other economies.

The World Bank and the IMF will encourage the six SDDS subscribers that are not reporting data to the QEDS to begin doing so.

**JEDH—Developments since the Last Meeting and Review of Service Level Agreement**

Ralph Kozlow (IMF) updated the TFFS on recent developments in the JEDH (TFFS 09/15). The IMF informed that the first triennial review of the JEDH Service Level Agreement (SLA) was conducted by written procedure by the subgroup of the TFFS (comprised of the BIS, IMF, OECD, and World Bank), and that no changes were needed at this stage. The IMF presented a list of improvements to the JEDH that would need to be implemented in collaboration with the IMF, BIS, and OECD, as appropriate. These improvements include: (i) the extension of JEDH to QEDS data on public and publicly-guaranteed external debt reported by GDDS countries; (ii) enhancing the printing facilities and the formatting of JEDH tables; (iii) facilitating access in the JEDH to the QEDS database and the TFFS website; (iv) overcoming technical issues related to the posting 2004-2005 OECD official bilateral loans position data; (v) reviewing historical OECD exports credits data and re-posting these data on the JEDH; and (vi) posting the “JEDH key family” on the JEDH. The TFFS supported these improvements to the JEDH. The TFFS also suggested to initiate work on the preparation of a creditor/national data comparator table for GDDS/QEDS, as suggested during the last year’s TFFS meeting. The IMF informed that recurring requests from commercial data providers interested in buying JEDH data for on-selling to their customers have been received by the Word Bank, and that the four agencies have agreed in principle, for which the World Bank’s Publication Department is working on a protocol setting out the arrangement among the agencies involved. The BIS and the OECD agreed to forego any revenues generated from the sale of the JEDH for commercial purposes, The TFFS took note of this arrangement.

**Action points**

13. The World Bank will work toward extending the JEDH to QEDS data for GDDS countries, enhancing the printing facilities and formatting of JEDH tables, and facilitating access in the JEDH to the QEDS database and the TFFS website.

14. The OECD will resubmit 2004-2005 data on official loans in SDMX-ML format, so that the World Bank can post these data in the JEDH.
15. The World Bank, in collaboration with the BIS and OECD, will upload historical OECD official exports credits data in a “test database” for the BIS to review these data prior to re-posting on the JEDH.

16. The World Bank, in consultation with the BIS, will post the JEDH key family to the JEDH promptly.

17. The BIS will work on preparing a creditor/national data source comparator table for GDDS countries based on data available in the JEDH.

**DRS—Domestic Debt Reporting Issues**

Ibrahim Levent (World Bank) presented for discussion a proposal on domestic debt data collection (TFFS 09/21). The World Bank’s proposal seeks to collect aggregate data (stock and flows) on domestic debt (defined as debt issued by residents in the domestic market) including debt securities, loans, currency and deposits, and other debt liabilities, mainly of developing countries. The World Bank noted that its Debt Reporting System (DRS) does not include local-currency debt held by nonresidents (estimated to amount to 7-8 percent of total external debt of EMEs). The World Bank requested the endorsement of the TFFS for the initiative. TFFS members extensively discussed the different dimensions of the World Bank initiative (definition of domestic debt, institutional sector coverage, instrument coverage, reporting countries, collection mechanism—annual DRS or quarterly QEDS approach, among others issues). Several agencies were concerned about serious overlaps with other data initiatives, including the CPIS, IMF Standardized Report Forms, CGFS work on local bond markets in developing and emerging countries, and the work of the Working Group on Securities Databases. Concerns were also raised on the methodological consistency between the World Bank work and BPM/SNA frameworks, as well as the ongoing work in the handbook of securities statistics and the public sector debt guide.

TFFS agencies strongly encouraged the World Bank to avoid overlaps with other data initiatives and to assure methodological consistency with the BPM6 and 2008 SNA frameworks. The TFFS suggested that the World Bank focus on the total central government debt data—regardless of the location of issuance or the residency of the creditor (debt holder)—to be collected quarterly on an aggregate basis. The TFFS agreed that the World Bank work closely with the IMF, and in consultation with the TFFS, to avoid duplication and to better identify data gaps.

**Action points**

18. The World Bank, in collaboration with the IMF, will prepare a template (set of tables)—based on the SDDS framework—to collect total central government debt data for a selected group of developing countries.

19. The BIS will inform on the work of the CGFS related to local-currency bond markets at the next TFFS meeting.
20. The World Bank will produce regular updates on progress on this initiative and will present a progress report at the next TFFS meeting.

**Update of the External Debt Guide on Issues Emerging from BPM6**

Eduardo Valdivia-Velarde (IMF) presented for discussion the paper on the Update of the *External Debt Guide* on issues emerging from *BPM6* (TFFS 09/13). The paper contains a brief description of the changes in methodology or recording in *BPM6* and the appropriate corresponding change in the *External Debt Guide*. The paper is intended to provide clarification to external debt statistics compilers and users on the upcoming changes in the *External Debt Guide* resulting from the adoption of *BPM6*. The TFFS agreed with: (i) the presentational changes in Tables 4.1 and 5.1 (identified in the Appendix 1 of the paper); (ii) the addition of a memorandum table on arrears (table included in Appendix 2 of the paper) while dropping the memorandum table on periodic interest costs that have accrued and are not yet payable (Table 4.2 of the *External Debt Guide*); (iii) the inclusion of a memorandum item below Table 4.1 of the *External Debt Guide*, identifying the external debt liabilities of the monetary authorities (for economies where some central banking functions are performed outside the central bank); and (iv) the inclusion of a memorandum item below Table 7.2 of the *External Debt Guide* on reserve-related liabilities to nonresidents (on a short-term remaining maturity basis). The TFFS agreed with the publication of the paper on the TFFS website, after comments on specific paragraphs are addressed. The TFFS recorded its appreciation to Eduardo Valdivia-Velarde for the excellent work in preparing the paper.

Work on the update (rather than a rewrite) of the *External Debt Guide* will be more intensively undertaken beginning in 2011 with the objective of having the next *External Debt Guide* ready by 2013. It was noted that the *External Debt Guide* remains largely consistent with the new standards; even so, a substantial amount of work is involved.

There was extensive discussion on the valuation basis for external debt position data reported in the standard tables. The IMF raised for discussion whether traded debt instruments be presented at market value in the main standard tables of the *External Debt Guide*, with the addition of a memorandum table presenting the nominal value of traded debt instruments (broken down by sector and by maturity). This refinement and clarification of the standard tables would be a change that does not result from the adoption of *BPM6*. The *External Debt Guide* recommends that “debt instruments traded (or tradable) in organized and other financial markets be valued at both nominal and market value” (paragraph 2.42), and this advice is unchanged with the adoption of *BPM6*. Unfortunately, partly because the *External Debt Guide* does not fully articulate the valuation basis that is to be used in most of the standard tables, many countries disseminate traded debt instruments data only on a single valuation basis (either nominal or market value basis). The BIS highlighted that the valuation issues were not yet fully agreed by the working group preparing the Handbook on Securities Statistics. ComSec and UNCTAD informed that, at this stage, their softwares only produced external debt position data at nominal value. UNCTAD also noted that the next version of its software accommodates the reporting of data on both bases separately. The TFFS agreed that further discussion on how to present traded debt instruments in the main standard tables was needed.
Action points

21. The IMF will post the paper on the TFFS website for use by external debt compilers and users, after addressing comments on specific paragraphs made by TFFS agencies.

22. The IMF will report on comments received to the paper from the public at the next TFFS meeting.

23. The IMF will circulate among TFFS members a revised Table 4.1, showing how data on both a nominal and a market value basis could be recorded.

24. The IMF will prepare a tentative list identifying issues not related to the adoption of BPM6 where the External Debt Guide could be updated for discussion at the next meeting.

Friday, March 20

TFFS Website

Eduardo Valdivia-Velarde (IMF) made an online presentation on the TFFS website (www.tffs.org), launched in December 2008 in close collaboration with all TFFS agencies. As agreed at the 2008 TFFS meeting, the website includes relevant documentation in terms of the main activities of the TFFS (methodology, data availability, data quality, and capacity building); TFFS meetings (agendas, minutes, and occasional reports since 2008) and reports (BOPCOM and UN Statistical Commission); and other material (additional documents and related sites). The TFFS recorded its appreciation to Jean Galand, IMF Statistics Department, for the fine work related to the launching of the TFFS website.

Some agencies suggested that a brief document with an overview of the TFFS should be prepared to facilitate the understanding of its numerous initiatives. This document could be posted on the homepage of the TFFS website. The TFFS then discussed the extent to which documents prepared for the TFFS meeting should be posted on the TFFS website. The TFFS agreed that for the 2009 TFFS meeting—as with the 2008 meeting—the agenda, minutes of the meeting, and agencies’ occasional reports will be posted on the TFFS website. It was suggested that agencies may consider including a disclaimer to their documents indicating that the views expressed in their papers should not be attributed to the agencies or their management.

Action points

25. The TFFS agreed to foster the awareness and access by the public through the inclusion of a hyperlink to the TFFS website in the agencies’ websites, where feasible.
26. The IMF will prepare a paper identifying the major initiatives of all the agencies represented on the TFFS, organized around major themes (filling gaps in data, training and capacity building, data dissemination, etc.).

27. Agencies will inform at the next TFFS meeting whether—in addition to the agencies’ occasional reports posted since 2008—other agencies’ nonconfidential documents would be posted to the TFFS website.

**Capturing Private Sector External Debt Data**

Balliram Baball (UNCTAD) presented the DMFAS approach to capturing and reporting data on private nonguaranteed external debt (PNED) and short-term external debt (STED). UNCTAD highlighted that monitoring these data in developing countries has become essential. The PNED has increased from 4 percent of the total external debt in 1990 to 36 percent in 2007, and the STED from 15 percent to 23 percent during the same period. Nevertheless, the reporting and monitoring requirements heavily depend upon the degree of government control (fully controlled, fully liberalized, and semi-controlled). UNCTAD informed that DMFAS 6 (to be launched during 2009) will include, in addition to the traditional loan-by-loan approach, a “lighter module” for the PNED in semi-controlled economies (only key selected information and with more flexibility for recording transactions and amortization schedules) and an “aggregated module” both for the PNED in fully liberalized economies and for STED in all economies (aggregated data collected by debtor institution, instrument, and maturity).

Arindam Roy (ComSec) focused on the need for more extensive surveillance on private sector external debt in EMEs, particularly in light of financial crises. ComSec highlighted the heavy external borrowings by banks and private corporations, with significant short-term maturity, particularly in Central Asia and in Eastern European economies. ComSec outlined emerging issues in assessing vulnerabilities, including debt portfolio profile, macroeconomic linkages, and balance sheet impacts. ComSec highlighted the key role of international agencies in promoting the availability of private sector external debt data, including the World Bank’s DRS, BIS international banking statistics, SDDS and GDDS initiatives on external debt, IIP data, and the CPIS. Nevertheless, private sector external debt data availability is still limited (for example, South-South lending is clearly missing). Selective TA from the IMF and other specialized agencies is strongly needed for improving data collection methods, including survey arrangements. ComSec informed that CS-DRMS is being enhanced to record aggregate private sector external debt data.

TFFS members raised a number of questions on the main features of the databases managed by ComSec and UNCTAD, particularly related to the private sector external debt. The TFFS highlighted that a large part of the private sector external debt in developing countries is owed by direct investment enterprises to related companies (parents and/or affiliated enterprises). As mentioned in the IMF occasional report (TFFS 09/03), the forthcoming CDIS initiative will be able to gather data on these debt liabilities.
**Action points**

28. ComSec and UNCTAD will inform at the next TFFS meeting on the main features of selected countries’ databases, including number of loans, transactions, etc.

29. The IMF will keep agencies informed of the forthcoming CDIS seminars, and will report progress on the CDIS work at the next TFFS meeting.

**Financial Crisis and Additional Data Needs**

Ketil Hviding (SPR) made a presentation on “Drawing Lessons from the Crisis: Would better Data Have Mattered?” (TFFS 09/20). SPR underscore that historically crisis reveals further data needs. The lack of market transparency was a key factor of the current crisis, including financial innovations that led to increasingly opaque interconnections and risks build-up in less regulated sectors with poor reporting (e.g., nonbank financial sector). SPR highlighted that the failure to “connect the dots” was probably as important as the lack of transparency. Data were not always adequately aggregated and available to macroeconomic policy makers and, in some cases, to the public at large.

Ralph Kozlow (STA) made a presentation on the genesis and main work of the Inter-Agency Group on Economic and Financial Statistics (Inter-Agency Group), which held its first meeting in New York in February 2009. The Inter-Agency Group comprises the BIS, ECB, Eurostat, IMF (chair), OECD, UN, and the World Bank. The IMF highlighted the focus of the Group’s work on data availability, both through the creation of a joint data website (containing a set of economic and financial indicators mainly for G20 countries), and the identification of gaps in the available datasets. Data gaps are mainly in the financial sector but also related to the household sector and the real estate markets. Among them, off balance sheet exposures, data on ultimate risk bearer, missing data on nonbank financial institutions, particularly in the unregulated sector, data on household balance sheets, and real estate values. The IMF also highlighted that information on trade credits was important.

The IMF underscored the importance of the TFFS positioning itself vis-à-vis the Inter-Agency Group to coordinate work and avoid duplication of efforts.

**Action point**

30. The IMF will report on the Inter-Agency Group work at the next TFFS meeting.

**Relation between the Output of the Debt Recording Software and its Use**

Walton Gilpin (ComSec) and Balliram Baball (UNCTAD) presented the relationship between the output of the debt software and its use (TFFS 09/22 and TFFS 09/23, respectively). Both agencies highlighted that the data output from their debt software are in conformity with international standards on external debt statistics, including the External Debt Guide, IMF data initiatives, the World Bank’s DRS, and the QEDS.
ComSec informed that the CS-DRMS provides users with comprehensive information for analytical use (portfolio review, sustainability analysis, debt strategy formulation, risk analysis), operational needs (cash flow, debt service, budget preparation, debt negotiations, disbursement monitoring), accounting, statistical/analytical bulletins, and data reporting to international agencies, among other data needs. ComSec highlighted that two countries (India and South Africa) use the CS-DRMS for providing data to the QEDS for SDDS countries, and 14 CS-DRMS users have agreed to provide data to the QEDS for GDDS countries.

Balliram Baball (UNCTAD) informed that DMFAS generates information to satisfy the same data needs identified by ComSec. UNCTAD focused its presentation on the key information and basic reports produced by DMFAS, including different classifications (debtor, creditor, instruments, currencies, maturities, etc.), debt service calculations, and other data.

The TFFS recorded its appreciation for the work of ComSec and UNCTAD in facilitating countries’ production of external debt data to satisfy a wide variety of information needs, in line with international statistical standards.

**Forward Work Program of Task Force**

Lucie Laliberté (IMF) recalled that twenty two action points were agreed at last year’s meeting, and highlighted that most of them were accomplished. The IMF suggested that the minutes of this year’s meeting be reviewed at the end of next year’s meeting to facilitate the definition of the forward work program of the TFFS. The TFFS has become an effective forum to make operational inter-agency coordination in external and public debt statistics. Summing up, the work program for the next 12 months includes: (i) completion of a full draft version of the public sector debt guide; (ii) extension of coverage in the QEDS; (iii) progress on collecting total central government debt position data by the World Bank; and (iv) further improvements in the JEDH and TFFS websites.

**Next Meeting**

The TFFS members agreed to meet next in Washington, D.C. in early March 2010. The meeting will be hosted by the World Bank. The exact dates will be set in around six months, when the schedule of other international meetings is better known.
## TFFS Meeting in Basel, March 19–20, 2009

### List of Participants

<table>
<thead>
<tr>
<th></th>
<th>Organisation</th>
<th>Name</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BIS</td>
<td>Mr. Philippe Mesny</td>
<td><a href="mailto:Philippe.Mesny@bis.org">Philippe.Mesny@bis.org</a></td>
</tr>
<tr>
<td>2</td>
<td>BIS</td>
<td>Mr. Karsten von-Kleist</td>
<td><a href="mailto:Karsten.von-Kleist@bis.org">Karsten.von-Kleist@bis.org</a></td>
</tr>
<tr>
<td>3</td>
<td>BIS</td>
<td>Mr. Christian Dembiermont</td>
<td><a href="mailto:Christian.Dembiermont@bis.org">Christian.Dembiermont@bis.org</a></td>
</tr>
<tr>
<td>4</td>
<td>COMSEC</td>
<td>Mr. Arindam Roy</td>
<td><a href="mailto:A.Roy@commonwealth.int">A.Roy@commonwealth.int</a></td>
</tr>
<tr>
<td>5</td>
<td>COMSEC</td>
<td>Mr. Walton Gilpin</td>
<td><a href="mailto:W.Gilpin@commonwealth.int">W.Gilpin@commonwealth.int</a></td>
</tr>
<tr>
<td>6</td>
<td>ECB</td>
<td>Ms. Marta Rodríguez</td>
<td><a href="mailto:Marta.Rodriguez@ecb.int">Marta.Rodriguez@ecb.int</a></td>
</tr>
<tr>
<td>7</td>
<td>EUROSTAT</td>
<td>Ms. Christine Gerstberger</td>
<td><a href="mailto:Christine.GERSTBERGER@ec.europa.eu">Christine.GERSTBERGER@ec.europa.eu</a></td>
</tr>
<tr>
<td>8</td>
<td>IMF</td>
<td>Ms. Lucie Laliberté</td>
<td><a href="mailto:LLaliberte@imf.org">LLaliberte@imf.org</a></td>
</tr>
<tr>
<td>9</td>
<td>IMF</td>
<td>Mr. Ralph Kozlow</td>
<td><a href="mailto:RKozlow@imf.org">RKozlow@imf.org</a></td>
</tr>
<tr>
<td>10</td>
<td>IMF</td>
<td>Mr. Ketil Hviding</td>
<td><a href="mailto:KHviding@imf.org">KHviding@imf.org</a></td>
</tr>
<tr>
<td>11</td>
<td>IMF</td>
<td>Mr. Eduardo Valdivia-Velarde</td>
<td><a href="mailto:EValdiviaVelarde@imf.org">EValdiviaVelarde@imf.org</a></td>
</tr>
<tr>
<td>12</td>
<td>IMF</td>
<td>Ms. Isabel Rial</td>
<td><a href="mailto:IRial@imf.org">IRial@imf.org</a></td>
</tr>
<tr>
<td>13</td>
<td>OECD</td>
<td>Ms. Yasmin Ahmad</td>
<td><a href="mailto:Yasmin.AHMAD@oecd.org">Yasmin.AHMAD@oecd.org</a></td>
</tr>
<tr>
<td>14</td>
<td>Paris Club Secretariat</td>
<td>Mr. Nicolas Grislain</td>
<td><a href="mailto:Nicolas.Grislain@dgtppe.fr">Nicolas.Grislain@dgtppe.fr</a></td>
</tr>
<tr>
<td>15</td>
<td>UNCTAD</td>
<td>Mr. Balliram Baball</td>
<td><a href="mailto:Balliram.Baball@unctad.org">Balliram.Baball@unctad.org</a></td>
</tr>
<tr>
<td>16</td>
<td>UNCTAD</td>
<td>Ms. Yen Su Kim</td>
<td><a href="mailto:Yeonsu.Kim@unctad.org">Yeonsu.Kim@unctad.org</a></td>
</tr>
<tr>
<td>17</td>
<td>World Bank</td>
<td>Mr. Ibrahim Levent (TC)</td>
<td><a href="mailto:ILevent@worldbank.org">ILevent@worldbank.org</a></td>
</tr>
<tr>
<td>18</td>
<td>World Bank</td>
<td>Mr. Ismail Dalla (TC)</td>
<td><a href="mailto:IDalla@worldbank.org">IDalla@worldbank.org</a></td>
</tr>
<tr>
<td>19</td>
<td>World Bank</td>
<td>Ms. Olga Akcadag (TC)</td>
<td><a href="mailto:OAkcadag@worldbank.org">OAkcadag@worldbank.org</a></td>
</tr>
</tbody>
</table>

TC = Teleconference.