



The Organisation for Economic Co-operation and Development (OECD) Headquarters
Paris, France
March 14–15, 2013

2013 TFFS Meeting: Minutes
Final

Prepared by the IMF



A. Introduction

1. The 2013 TFSS meeting was hosted by the OECD at its headquarters in Paris, France (March 14-15, 2013). These minutes include the action points agreed during the meeting and the forward work program of the TFSS.
2. Opening remarks were provided by Mr. Peter Van de Ven, Director of National Accounts, OECD, and Mr. Robert Heath, Deputy Director, Statistics Department, IMF. Mr. Heath chaired the meeting. He underlined the challenging agenda prepared for the meeting and noted the importance of agreeing of the draft of *External Debt Statistics: Guide for Users and Compilers (EDS Guide)*. All TFSS member agencies were represented. The list of participants and the final agenda are attached to these minutes.

B. Methodological work

External Debt Statistics Guide (EDS) Complete Updated Draft—Issues for Discussion (13/10)

3. The first item on the agenda of the meeting was the update of the *EDS Guide*. The complete updated draft addressed public comments. Most changes arising from the comments were clarifications to the methodological treatment, presentation of tables, compilation practices, and data sources. Overall the comments reflected a high degree of satisfaction with the draft. The TFSS reviewed the changes arising from the world-wide comments and briefly reviewed the agreements reached during the 2012 TFSS meeting regarding the conceptual section of the *EDS Guide*.

PART I

Instruments issued at a discount (paragraph 2.82)

4. *Issue raised by TFSS members:* Whether a reference to non-negotiable instruments was appropriate in this paragraph.
5. The agreement was:
 - The paragraph will be reviewed.

Gross external debt position by creditor sector (Table 7.12 and 7.13)

6. *Issue raised by TFSS members:* compilers may face difficulties in identifying owner of debt securities.
7. The agreement was:

- Include footnotes to Tables 7.12 and 7.13 to acknowledge if debt securities are attributed to the “debt securities” category the holders of such securities are excluded from all the sector columns (Table 7.12) or rows (Table 7.13) as relevant.
- The denomination of Debt Securities in Table 7.13 will be changed to “Debt Securities' Holders.

Contingent Liabilities

8. *Issue raised by TFFS members:* The headings in Figure 9.1 under contingent liabilities should be included as appropriate in Table 9.1.
9. The agreement was:
 - Classify explicit contingent liabilities in Table 9.1 as guarantees and other explicit contingent liabilities.

Average maturity

10. *Issue raised by TFFS members:* Inclusion of a definition of average maturity
11. The agreements were:
 - The same definition of average maturity as included in the *Public Sector Debt Statistics: Guide for Users and Compilers (PSDS Guide)* to be included in the *EDS Guide*.
 - Like SDR allocations, the exclusion of perpetual bonds from the calculation of average maturity should be considered. Defined and undefined maturity could be distinguished in calculating average maturity. Careful consideration to demand deposits as short term debt liabilities.
 - Add the definition of average time to refixing from the *PSDS Guide* (Chapter 9, footnote 18).
 - Add definition of duration.

Table 8.2 and Box 8.2 – Paris Club

12. *Issue raised by TFFS members:* Update of Table 8.2 and Box 8.2.

The agreements were:

 - Add a column on Cologne Terms Options in Table 8.2. Paris Club will update this table by end-March 2013.

- Delete the sentence “non-HIPC debtors are not expected to seek comparable treatment” in Box 8.2.
- Add a new paragraph in Box 8.2 after the paragraph ending “non-HIPC debtors are not expected to seek comparable treatment” and before the next paragraph on the Evian Approach for non-HIPC debtors. Paris Club will provide the relevant text.

Valuation Bases Table

13. *Issue raised by TFFS members:* Request to include a table for comparing nominal, market, and face value.
14. The agreement was:
- Include a table covering the conceptual differences between the various measures of valuation.

PART II

Stock Exchange and Settlement Agencies in Figure 10.1

15. *Issue raised by TFFS members:* Include stock exchange and settlement agencies in figure 10.1.
16. The agreement was:
- Add stock exchange and settlement agencies as possible data suppliers in Figure 10.1. It should be made clear that multiple recording of debt liabilities should be avoided.

Debt Bulletin

17. *Issue raised by TFFS members:* Acknowledge that some economies may cover both EDS and PSDS in debt bulletins.
18. The agreement was:
- Add a footnote to paragraph 10.26 acknowledging that some economies may cover both EDS and PSDS in debt bulletins.

QEDS Tables cross reference with EDS Tables

19. *Issue raised by TFFS members:* QEDS Tables should include references to EDS Tables.
20. The agreement was:

- Update QEDS tables indicating links to corresponding tables in the *EDS Guide*.

Islamic Debt Instruments (Sukuks)

21. *Issue raised by TFFS members:* Include definitions of different types Islamic debt instruments.
22. The agreements were:
 - UNCTAD will provide a draft table with different types of Islamic debt instruments and their corresponding definitions by end-March 2013.
 - IMF and ECB to ensure consistency of this part of the *EDS Guide* with the Annex 2 on Islamic debt securities of the BIS-ECB-IMF *Handbook of Securities Statistics* currently being revised.

Institutional Sector and Subsectors (Financial Intermediaries)

23. *Issue raised by TFFS members:* the additional definition of “financial intermediaries” in the Glossary (Appendix III) raised the question as to why not also define all the subsectors of the financial sector.
24. The agreements were:
 - Check if all the subsectors of the financial sector are defined in Chapter 3 and make the corresponding cross references in the definition of financial intermediaries in Appendix III.
 - Ensure consistency with *SNA* (and hence *ESA*) as well as G-20 DGI definitions of the subsectors of the financial sector.

Nonresident Holdings of Debt Securities

25. *Issue raised by TFFS members:* Another method of identifying nonresident holders of debt securities could be through information on the residency of holders receiving coupon payments.
26. The agreements were:
 - To consider adding such text in Chapter 13.
 - Cross reference could be made to the BIS-ECB-IMF *Handbook on Securities Statistics* (Part 2).

Pending Issues

27. The agreements were:

- There was strong support for a new Appendix IX that identifies main methodological changes in the *EDS Guide* emerging from the adoption of *BPM6*. The appendix will be based on the paper “*Update of the External Debt Guide on Issues Emerging from BPM6*”, discussed and approved at the March 2009 TFFS meeting (<http://www.imf.org/external/pubs/ft/eds/eng/edgupdate/pdf/update.pdf>), and will present by chapters (Chapters 2 to 8). Also, the OECD will share with the IMF a similar document prepared to assist compilers in identifying methodological changes. The Appendix IX will be distributed for TFFS review by May 2013.
- UNCTAD and ComSec would look at the advice in the *EDS Guide* on the collection of data on explicit contingent liabilities and propose a revised/expanded text, if necessary. TFFS members considered that providing practical collection advice for implicit contingent liabilities was premature. If advice was later produced it could be posted on the TFFS website.
- It was agreed to include cross-references to related material in Chapter 14 (Debt Sustainability Analysis) with one idea being to follow *BPM6* and include the references at the beginning of the chapter.
- ComSec will provide a list of additional instruments and external debt terms to be included in the Appendices I and III respectively by the end-March 2013.
- The meeting confirmed last year’s decision to include signatures at the same level as for the *PSDS Guide*.
- The secretariat will produce a preface and foreword. TFFS member agencies were asked to provide the list of officials from their own agency to be included in the foreword when commenting the draft preface and foreword.
- TFFS member agencies agreed with the proposed schedule for completing the pre-publication version of the *EDS Guide* by September 2013.
- IMF will share, at request, recent *EDS Guide* course material with TFFS member agencies.

EDS Work of International Agencies (Chapter 16)

28. *Issues raised to TFFS members:* How to incorporate Chapter 16 into the TFFS website.

29. The agreements were:
- There are two stages of work. First to include Chapter 16 and second to update the website.
 - On the first stage the following was agreed:
 - Include one complete document of the work of international agencies (Chapter 16 as presently labeled) with an additional tab in the left hand column entitled something like, “International agencies contribution to debt statistics.”
 - Remove the detailed text on the QEDS and JEDH from Chapter 16 and place it close to the links to the QEDS and JEDH tables. Perhaps also include the text on the JEDH in the JEDH website.
 - Expand the document to also include text on the international agencies contribution to public sector debt statistics, from the *PSDS Guide*, provided this work did not unduly burden the TFFS Secretariat.
 - Circulate the revised document for TFFS comments in June 2013 with the intention of posting the material at the same time as the pre-publication of the *EDS Guide*.
 - It was agreed that TFFS members would be asked once a year, in the context of the preparation for the TFFS meetings, to update the International agencies contribution to debt statistics material. Also TFFS member agencies can provide updates on an ad-hoc basis when significant changes occur.
 - On the second stage the following was agreed:
 - Revamp TFFS website after the pre-publication of the *EDS Guide* (the revamping should consider including new tabs, moving the main introductory text from the home page to a “about us” tab, highlight what’s new and the key products (e.g., JEDH, QEDS, the methodologies etc.) on the home page, add links to international agencies data under the data availability tab (which could be renamed “data”), use more hyperlinks to ensure updated information, and consider where to include any future DSD on the website. IMF to initiate the process and to report back to next TFFS meeting.

Strengthening the Transparency of PSDS

Strengthening recommendation 18

30. The TFFS members discussed the state-of-play of the public sector debt database. Since last year's meeting there has been a substantial increase in the number of reporters – from 30 to 76, with the number of OECD countries reporting increasingly sharply due to the efforts of the OECD. However the report to the TFFS highlighted the problems of comparability of data, and the call from the G20 Finance Ministers and Central Bank Governors for greater transparency and comparability of public sector debt reporting.

31. Against this background, the TFFS agreed the following:

- To enhance comparability of the data, it is important to expand the sectoral and instrument coverage of the Public Sector Debt Statistics (PSDS) Database. While the objective of complete coverage of the public sector remains encouraged the TFFS recommended unanimously that TFFS agencies should work with member countries to provide data on a general government basis and a full set of instruments as set out in the *PSDS Guide*: loans, deposits, debt securities, insurance, pension and standardized guarantees, SDRs and other accounts payable. Nonetheless the minimum requirements for participation in the database are unchanged. TFFS member agencies should cooperate to avoid overlaps in their consultations with economies and to ensure consistency and avoid duplication of effort in supplying data for the PSDS Database.
- In response to the call from the Communiqué of G20 Finance Ministers and Central Bank Governors, the TFFS agreed to investigate with G20 economies the idea of strengthening the G20 Data Gaps Initiative (DGI) recommendation 18, to set as a minimum objective coverage of general government and all instruments as set out in the previous bullet using nominal values. This is consistent with other initiatives including the standard template for recommendation 17 in the September 2012 G20 DGI report and the SDDS Plus category on general government gross debt.

Collaboration and Expanding Data Collection

- Members of the TFFS agreed that increasing the number of reporters was equally important to efforts for enhancing data comparability. The TFFS endorsed the importance of close collaboration between the OECD/WB/IMF and Eurostat in ensuring consistency, quality and avoiding overlapping questionnaires being sent to countries.
- The TFFS recognized the high value of collaboration for PSDS and importance of further collaboration to ensure future success of the database. In this spirit,

UNCTAD, COMSEC and the ECB were invited to join the PSDS Working Group, to bring its total membership to seven international organizations (WB/IMF/OECD/Eurostat/UNCTAD/COMSEC/ECB).

Contingent Liabilities

- Members of the TFFS agreed that full reporting of contingent liabilities (explicit and implicit) was extremely complicated and difficult to implement at this stage. UNCTAD and COMSEC both noted that work was currently being done on explicit contingent liabilities (limited to guarantees). It was agreed that, rather than introducing another Table to the PSDS questionnaire in 2013 covering these explicit contingent liabilities, the best way forward is to have UNCTAD and COMSEC report back to the next TFFS meeting with an assessment of how many countries are able to report the data for total guarantees--loans and debt securities--as covered in Table 5.8a of the *PSDS Guide*.
- If the UNCTAD and COMSEC report that a core number of emerging and developing countries can provide these data, the TFFS could agree that a Template (based on Table 5.8 in the *PSDS Guide*) be introduced into the public sector debt database in 2014 to collect data from these countries.

DSD for EDS

32. *Issue raised with TFFS members:* Preparing an External Debt and Public Debt DSD. TFFS members thanked the World Bank for the paper. TFFS members were very interested and had many suggestions on the details of the external and public sector debt DSDs.

33. The agreements were:

- TFFS members asked the World Bank to go back to those responsible for the NA and BOP DSDs and see what is already covered by these DSDs and discuss whether any additional elements are needed for external and public debt in order for countries to report these data sets. The goal is to explain the "debt statistics" in general with National Accounts (NA) and Balance of Payments (BOP) DSDs without adding new dimensions, but possibly adding new codes into already existing dimensions as needed.
- World Bank to report to TFFS member agencies the outcome of the discussions with those responsible for the NA and BOP DSDs before the next TFFS meeting. The intention is to finalize the work for next year's TFFS meeting.

QEDS

34. *Issues raised with TFFS members:* Update QEDS Tables as a result of the *EDS Guide*. Also new tables will be included. World Bank presented the schedule for QEDS changes. TFFS member agencies raised questions about the conversion process. ECB indicated that consistency should be assessed against IIP data.

35. The agreements were:

- Agreement was reached to update and add the new tables to the QEDS, aligned to the 2013 *EDS Guide*.
- Existing QEDS tables (including the BPM6-SDDS QEDS Tables 1) will be kept for reporting until the new data base is launched. The new QEDS database will be launched in September 2014 with 2014 Q2 data.
- A letter will be sent towards the end of 2013 to the reporting economies by World Bank and IMF inviting them to report data using the new templates by September 2014. If they are unable to meet this deadline the letter will request the economies to choose between the following options: (1) generic conversion to be done by the World Bank and the IMF taking into account the work on the IIP conversion to *BPM6*, and (2) self-conversion. Letters sent, and responses received, will be shared with the ComSec and UNCTAD for countries using CS-DRMS and DMFAS respectively.
- For countries that use CS-DRMS and DMFAS data management systems, ComSec and UNCTAD, respectively will be involved in the conversion process.
- World Bank will coordinate with UNCTAD and ComSec on the new tables.
- World Bank will undertake a pilot exercise in the near future involving 10 countries and the new QEDS tables, informing TFFS members of the countries selected before the pilot is launched.
- Once the revised database is launched, the tables should clearly indicate where country data are converted, to differentiate from data directly reported by economies on the new basis.

36. *Issue raised with TFFS members:* Increase the participation in QEDS reporting by increasing the participation in QEDS (GDSS economies) and by expanding reporting in supplementary QEDS Tables (SDDS economies).

37. The agreements were:

- World Bank will inform quarterly to ComSec and UNCTAD for bilateral follow-up on the reporting status to the QEDS database of the countries they cover.
- The TFFS was informed of progress towards implementing the QEDS/SDDS encouraged tables for currency compositions and long term debt due in one year or less on a remaining maturity basis in European economies, notably for debt securities. The TFFS agreed to encourage other SDDS economies that do not report these data to do so.
- TFFS member agencies noted the high percentage of GDDS economies reporting the debt service schedule, and the intent to introduce a new table on currency composition when the database is updated for the 2013 *EDS Guide*. TFFS member agencies will encourage reporting of these data by QEDS/GDDS economies.
- IMF will continue to foster additional participation by training countries and/or technical assistance.

JEDH

38. *Issue raised with TFFS members:* Enhance JEDH.
39. The agreements were:
- The TFFS agreed to create a small subgroup involving BIS, IMF, OECD, and World Bank to review the JEDH. The issues to be covered include:
 - Review JEDH comparator table to improve the benefits to users.
 - Consider giving greater prominence to CPIS in JEDH.
 - Review the link to the QEDS.
 - Consider how to promote the back series of data given only four quarters are presented on the home page.
 - The subgroup will report back on the next TFFS meeting.

C. Forward Work Program of Task Force

40. The TFFS Chair presented the work program for the next 12 months. This includes:
- Review of the launch of the *EDS Guide* (IMF).
 - PSDS: update on progress (IMF).

- Data on public sector guarantees (ComSec and UNCTAD).
- QEDS: progress on the revision of database in line with *BPM6* and report on progress in increasing participation and coverage (World Bank and IMF).
- Report of the subgroup of JEDH (BIS, IMF, OECD, and World Bank).
- Report back on Debt DSD (World Bank).
- Revamping TFFS website (IMF).

D. Next Meeting

41. The next meeting will be held in March 2014 at the World Bank HQ in Washington DC, USA.

Agenda

Meeting of the Task Force on Finance Statistics

The Organisation for Economic Co-operation and Development (OECD) Headquarters,
Paris, France
March 14–15, 2013

Time	Items	Presenter	TFFS Paper
	Thursday, March 14		
9:00 a.m.	Opening Remarks by the OECD	OECD	
	Welcome by the Chair	IMF	
9:30 a.m.	Methodological Work		
	1. <i>External Debt Statistics Guide (EDS Guide)</i> —Complete Updated Draft—Issues for Discussion	IMF	13/10
	2. External Debt Statistics Work of International Agencies (Chapter 16)—Proposal for Posting it on the TFSS website	IMF	13/11
1:00 p.m.	Lunch		
2:30 p.m.	Availability of Debt Data		
	3. Strengthening the Transparency of the Public Sector Debt Statistics—How Far Have We Come and What Obstacles Remain?	WB/IMF OECD	13/12
	4. QEDS— Proposal for Implementing Changes as a Result of the <i>EDS Guide</i> Update and	WB/IMF	13/13a
	5. QEDS— Possible Steps for Augmenting Participation	IMF	13/13b
	6. JEDH—Proposals for Enhancements	BIS/WB	13/14
5:30 p.m.	End of the day		

Time	Items	Presenter	TFFS Paper
	Friday, March 15		
9:00 a.m.	Occasional Papers on Activities of TFFS Agencies	All Agencies	13/01-09
10:00 a.m.	Other Issues Related to Debt Data		
	1. Presentation on OECD DAC Database	OECD	13/15
	2. World Bank Data Structure Definition (DSD)-External Debt Data	WB	13/16
	3. SDMX—Developments Since the Last Meeting	WB/ECB	13/17
	4. G20 Data Gaps Initiative Since the Last Meeting	IMF	13/18
1:00 p.m.	Lunch		
2:30 p.m.	Wrap-up on Key Agreements including the <i>EDS Guide</i> Update		
3:00 p.m.	Forward Work Program of the Task Force and Review of 2012 Meeting's Action Points		
	Other Business Including Next Meeting		
4:00 p.m.	Closing of 2013 TFFS Meeting		

2013 TFFS Meeting: List of Participants

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