



Meeting of the Task Force on Finance Statistics

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***World Bank Occasional Report on Activities Relating to Debt Statistics
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Prepared by



World Bank Occasional Report on Activities Relating to External Debt Statistics

I. Data and Publications

International Debt Statistics 2013. The *International Debt Statistics 2013* country and summary data were disseminated through the World Bank *Open Data* in December 2012. The report covers external debt stocks and flows, major economic aggregates, and key debt ratios as well as average terms of new commitments, currency composition of long-term debt, debt restructuring, and scheduled debt service projections for 128 countries that report debt under the World Bank Debtor Reporting System. The online database presents historical time series indicators (country-level) from 1970 to 2011. The IDS book is published in December 2012.

Quarterly External Debt Database. The Quarterly External Debt (QEDS) database, jointly developed by the World Bank and the International Monetary Fund, brings together detailed external debt data of countries that subscribe to the IMF's Special Data Dissemination Standard (SDDS) and of the low income countries that subscribe to the General Data Dissemination System (GDDS). These low income countries report a simplified quarterly set of data focusing on the external debt of the public and publicly guaranteed sector.

As of end February 2013, 66 countries reported under the SDDS/QEDS and 26 countries reported under QEDS/GDDS for the period ending 2012Q3. Of the 26 GDDS reporters, 8 countries have also provided data under the SDDS/QEDS.

On September 2012, the IMF and WB introduced a provisional table in line with *BPM6* and the updated Guide for the SDDS/QEDS ((only one table equivalent to Table 1—Total External Debt by Sector) (*SDDS prescribed item*)) as a direct solution to the immediate needs of the countries intending to align or who have aligned their external debt reports to the *BPM6* framework. The provisional table was accommodated by an additional excel worksheet (Table 1 -*BPM 6*) on the QEDS website that World Bank added for dissemination of this data. As of February 2013, a total of 20 countries have reported data in the temporary Table 1 -*BPM 6*. The World Bank will present to the TFFS the progress on updating the QEDS templates/database and the way forward. The Quarterly External Debt Database, which is maintained by the World Bank, can be accessed through the Bank's web site at: <http://www.worldbank.org/qeds> and through the World Bank Open Data at www.databank.worldbank.org The website displays two separate headings: "SDDS/QEDS," and "GDDS/QEDS."

Joint External Debt Hub. The World Bank has actively contributed to the development and maintenance of the Joint External Debt Hub (JEDH). The JEDH provides a one-stop source of comprehensive external debt statistics compiled from international creditor/market sources and national debtor sources, namely QEDS (see above). In 2011, a joint effort was made by all creditors to streamline and reorganize the Creditor/Market table to display a more user friendly

output. In addition, the metadata for a few indicators such as SDR allocation and international reserves has been added or revised to reflect the latest edition of the IMF's Balance of Payment and International Investment Position Manual (BPM6).

The JEDH uses the Statistical Data and Metadata Exchange (SDMX) standards, which the World Bank has been involved in advancing, and the World Bank's latest generation of web service, the Development Data Platform. The JEDH can be accessed at: <http://www.jedh.org> and JEDH data is also available through the World Bank's Open Data platform at: <http://databank.worldbank.org/ddp/home.do>.

Quarterly Public Sector Debt Data. As part of the World Bank [Open Data Initiative](#), in December 2010 The World Bank launched for the first time an online, quarterly, [Public Sector Debt database](#) (www.worldbank.org/qpsd), developed in partnership with the IMF, which allows researchers and policymakers to explore questions about the recent development in the public sector debt. The PSD database, with the endorsement of the Inter-Agency Task Force on Finance Statistics (TFFS), was initially focused on developing/emerging market countries and now in partnership with OECD and Eurostat is being expanded to the advanced economies. The launch of the database is one of the recommendations in the G-20 Data Gaps Initiative.¹ PSD database facilitates timely dissemination in standard formats of external debt data. By bringing such data and metadata together in one central location, the database supports macroeconomic analysis and cross-country comparison.

The database is organized into five sets of tables on the following sectors: General government; o/w Central government; o/w Budgetary central government; Nonfinancial public corporations and Financial public corporations and is structured by instruments, maturity and by creditors as the presentation format articulated in the table 4.3 in *the IMF Public Sector Debt Guide*. While central government is identified as the area where there is the most important key of macroeconomic analysis, the public sector debt database provides data on other levels of public sector, valuation methods and debt instruments, and clearly defined tiers of debt where appropriate for central, state and local government as well as extra-budgetary agencies and funds.

As of end February 2013, a total of 65 economies, out of which 38 developing and emerging and 27 developed, provided data for the Q3 2012.

Open Data Initiative. Since the launch in April 2010, the World Bank's open data site has had close to 19 million visits, and over the last 6 months, averaged one million visits per month. An increasing amount of data is published in structured formats under open licenses, web traffic suggests strong interest, and open data has been identified as an important factor for improving development. In order to sustainably manage the development of the open data agenda, the main focus is to provide better localized data, building better links between open data resources, providing better metadata, and promote interaction and use of the data while creating a greater level of engagement with data users. To reach these targets, the portal features open data from multiple sources and shows more than time series indicators, pulling data from emerging open data services including monthly updated IDA and IBRD portfolio data from the [Open Financial Data](#) site.

¹ Please see <http://www.imf.org/external/np/g20/pdf/102909.pdf> . The Public Sector Debt Database is recommendation number 18 in the Data Gaps Initiative Report.

II. Ongoing Initiatives

The Debt Management Facility (DMF) for LICs, established in January 2009 as a World Bank administered Multi-Donor Trust Fund (MDTF), aims to strengthen Public Debt Management (PDM) capacity and institutions in LICs. DMF activities form part of a programmatic approach to support government authorities in building capacity for managing debt more effectively and efficiently, which comprise the key elements as follows.

A. Debt Management Performance Assessment (DeMPA) evaluates strengths and weaknesses in public debt management through a comprehensive set of performance indicators covering six core areas of public debt management. A DeMPA report can help guide the design of actionable reform programs, facilitate monitoring of performance over time, and enhance donor harmonization based on a common understanding of reform priorities.

Seventy-five DeMPA missions have taken place in sixty countries and five in sub-nationals by the end-October 2012. Of all, fifteen are 2nd DeMPA missions. The follow-up activities have resulted in (i) twenty-five reform plan missions² in twenty-four countries and (ii) twenty-four ‘Medium-Term Debt Management Strategy (MTDS)’ missions in sixteen countries³.

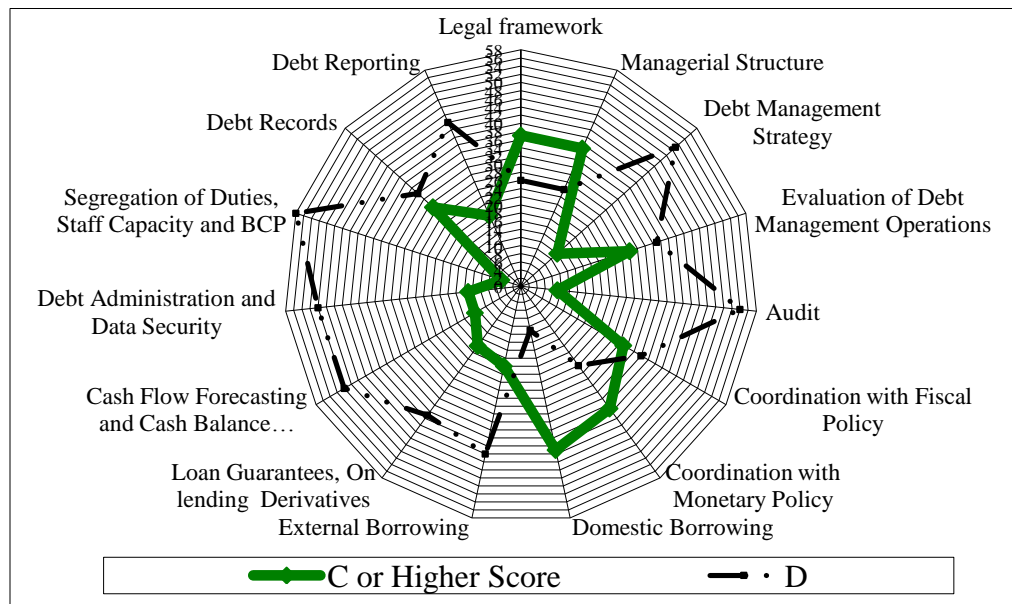
The results from the assessments helped to identify reform priorities across countries. The results from 63 assessments summarized in the chart 1 indicate severe deficiencies across countries regarding the quality of debt management strategies, conduct of audits, policies and procedures for external borrowings, operational risk management and cash balance management.

Chart 1: Results from the DeMPA Exercise⁴

² There was one follow up reform plan mission..

³ There were 36 MTDS mission in 23 countries in total.

⁴ The green line represents the number of countries that meet the DeMPA minimum requirements while the black line represents the number of countries that do not.

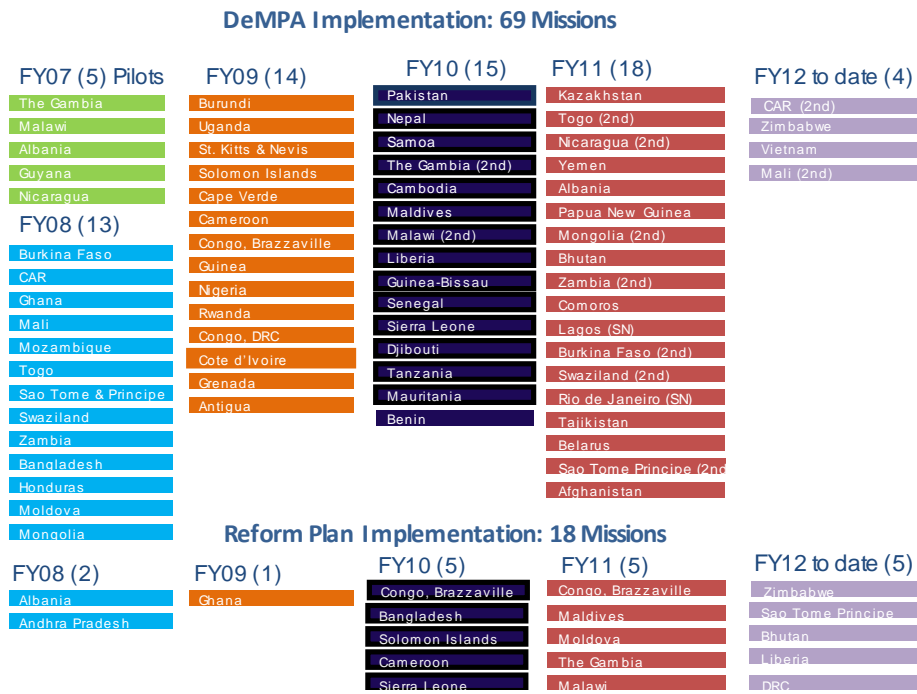


Given the rapid growth in sub-national debt markets in developing countries to finance infrastructure and economic growth, owing to worldwide decentralization a need for a more focused tool for sub-nationals was expressed. A subnational DeMPA tool was developed and shared with stakeholders.

More information about the DeMPA tool and methodology can be accessed through the World Bank's website at: <http://go.worldbank.org/4VX651FHB0>.

B. The diagnostic has also been followed up with technical assistance (TA) to develop detailed and sequenced reform plans. The reform plan aims to alleviate the weaknesses identified and analyzed by the DeMPA or through other assessments. It details expected outputs and outcomes, actions, sequencing and milestones. It also provides an estimate of budget and resources required to implement the plan. With growing demand, reform plan missions have been carried out in 18 countries (see Chart 2).

Chart 2: DeMPA and Reform Plan Missions to Date Fiscal-Year-Wise

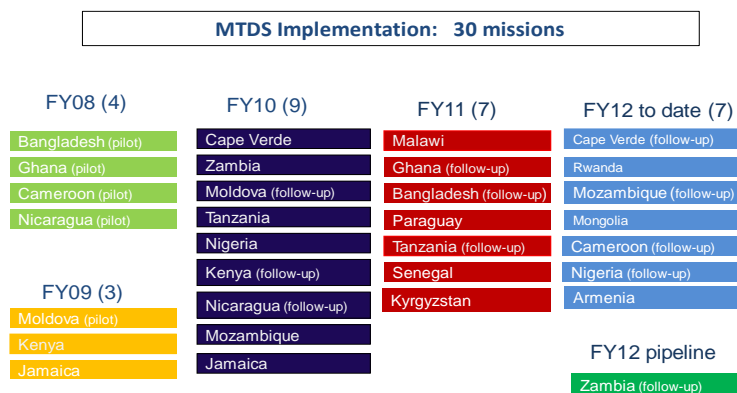


In a number of countries, DeMPA and the Reform Plan have been the catalytic impact to enhance the debt management functions and institutions. Reforms or corrective actions have been undertaken or planned to address the identified weaknesses. More information on reform plan can be accessed through the World Bank’s website at: <http://go.worldbank.org/CFPMWGNZ70>.

C.The Joint Bank-Fund Medium Term Debt Management Strategy (MTDS) toolkit provides a framework for formulating and implementing a debt management strategy for the medium term. It is focused on determining the appropriate composition of the debt portfolio, taking into account macroeconomic indicators and the market and institutional environment.

An MTDS is useful for illustrating a government’s cost and risk trade-offs that may be associated with alternative debt management strategies and helps in managing the risk exposure embedded in a debt portfolio, in particular the potential variation in debt servicing costs and its budgetary impact. The MTDS toolkit includes a guidance note on the process of designing and implementing a debt management strategy in a LIC context, a template for strategy documentation, and a tool for cost-risk analysis with an associated handbook. The MTDS missions completed to date as well as the mission pipeline for FY12 are listed in Chart 3.

Chart 3: MTDS Missions to Date Fiscal-Year-wise



The MTDS missions and trainings have raised awareness of the importance of debt management strategy and strengthened the analytical capacities in the area. Following the MTDS missions, several countries have published or were about to publish their formal debt management documents.

More information on the MTDS can be accessed through the World Bank’s website at: <http://go.worldbank.org/T7SB6VFEL0>.