

**Seventeenth Meeting of the
IMF Committee on Balance of Payments Statistics
Pretoria, October 26-29, 2004**

Report of the Inter-Agency Task Force on Finance Statistics

**Prepared by the Statistics Department
International Monetary Fund**

The views expressed in this paper are those of the author and should not be attributed to the International Monetary Fund, its Executive Board, or its management.

Inter-Agency Task Force on Finance Statistics

Parallel with its work in promulgating the External Debt Statistics: Guide for Compilers and Users, 2003 (External Debt Guide) through regional training seminars and technical assistance, the IMF's Statistics Department has partnered with other international organizations on initiatives on external debt statistics. During the meeting of the Inter-Agency Task Force on Finance Statistics (TFFS)¹ held in Washington on May 17-18, 2004, participants reviewed the status of these initiatives, including the World Bank External Debt Debtor Database, the statistical data and metadata exchange (SDMX) pilot project, and the Joint BIS-IMF-OECD-World Bank Statistics on External Debt. The Commonwealth Secretariat's (COMSEC) and UNCTAD's activities on external debt statistics, and the IMF Policy Development and Review (PDR) Department's proposal for developing public sector debt statistics were also among the topics discussed by the TFFS.

World Bank External Debt Debtor Database

As an outcome of the September 2003 TFFS meeting in Geneva, the IMF has collaborated with the World Bank to initiate work on a centralized quarterly external debt debtor database to be located in the World Bank. The project, which commenced in the last quarter of 2003, is being implemented in four phases—(1) designing standardized debt data templates for data collection that are based on the SDDS prescribed and encouraged items and on other tables set out in the *External Debt Guide*; (2) informing SDDS subscribers about the joint Bank-IMF project and asking for their comments and support; (3) developing data collection tool and implementing data collection; and (4) disseminating the centralized database. The project is well into the third phase and is expected to be ready for the final phase later in the year. At the time of writing, close to 50 countries have agreed to participate in the database.

The benefit of the project is to bring together external debt data for SDDS subscribing countries in one central location, on a comparable basis. TFFS members welcomed the progress made, and the initial indications that most SDDS countries are willing to participate in the new initiative and provide data for at least the prescribed SDDS items. As for non-SDDS subscribing countries, TFFS members agreed to the proposal that these countries could be approached later.

¹ The Inter-Agency Task Force on Finance Statistics (TFFS) was established in 1992 and was one of the interagency task forces formed under the aegis of the United Nations Statistical Commission and the Administrative Committee on Coordination-Sub-Committee on Statistical Activities. It was reconvened in 1998 to coordinate work among the participating agencies to improve the methodological soundness, transparency, timeliness, and availability of financial statistics. The TFFS is chaired by the IMF.

Statistical Data and Metadata Exchange (SDMX)

Work on the statistical data and metadata exchange (SDMX) pilot project also engaged the attention of the TFFS members. Presentations by the IMF and the BIS covered the project background, purpose, and benefits. The key benefits of the project derive from a potentially reduced data reporting burden on suppliers and compilers of data, due to the use of standard data exchange formats; more efficient access to national debt data for users; as well as cost savings in data assembling for presentation on websites. As a pilot, the SDMX project aims to establish a Joint External Debt Hub (JEDH), which initially draws on the Joint Debt Statistics of the TFFS. Once the World Bank's debtor database is operational, these data might be added.

The TFFS has agreed to the concept of developing the JEDH as the SDMX pilot project. As the project is still in the early testing phase, discussions at the meeting centered on the prerequisites for advancing development work of JEDH, namely (1) defining data series for dissemination, (2) designing data presentation templates, and (3) defining the "key families".² Also, the TFFS agreed to undertake a pilot study to review issues arising, and consult countries, before any decision is taken to make the creditor and debtor databases available for comparison in the JEDH.

Text Box 1: What is SDMX?

The BIS, ECB, EUROSTAT, IMF, OECD, UN, and the World Bank have joined together to focus on business practices in the field of statistical information that would **allow more efficient processes for exchange and sharing of data and metadata** within the current scope of our collective activities. The goal is to explore common e-standards and ongoing standardization activities to improve efficiency and avoid duplication of effort in the field of statistical information.

The external debt pilot project, launched in 2004, has two main goals. First, it will develop a unified infrastructure of SDMX standards and freely available tools to foster use of these standards, building on the earlier work of SDMX projects during 2002-2003. Second, it will launch a reference implementation of these standards, focusing on the subject-matter domain of external debt statistics and providing a new production hub on the Web that will eventually expect to bring together the Joint BIS-IMF-OECD-World Bank data from creditor sources and debtor data from national and international sources. The pilot project is expected to be completed towards the end of 2005.

Additional information on the SDMX is available at <http://www.sdmx.org/projects/index.aspx>

² A "key family" describes the statistical concepts—defined by a coordinating institution and its partners—used in identifying a particular series, for the purpose of exchanging statistical information.

Joint BIS-IMF-OECD-World Bank Statistics on External Debt

During the first quarter of 2004, the IMF and the OECD collaborated on a number of possible improvements—that would reflect user needs and the availability of new data—to the Joint BIS-IMF-OECD-World Bank Statistics on External Debt (Joint Debt Statistics, or JDS), and various proposals were presented to the TFFS Sub-Group meeting on May 18, 2004. Among the key issues discussed were the following.

- ***Debt securities:*** Responding to proposals to extend coverage to include both repackaged securities, that is loans converted into marketable debt securities, and IMF data from the annual Coordinated Portfolio Investment Survey (CPIS), the Sub-Group agreed to proceed with developing a series on repackaged securities for inclusion in the JDS. However, while the CPIS data were viewed as analytically useful, the Sub-Group agreed that the main table in the JDS should present the most frequent series on debt securities—the BIS data on international debt securities. The CPIS data would be presented as supplementary information.
- ***Multilateral claims:*** The Sub-Group agreed to incorporate the OECD/World Bank annual data on multilateral claims into the JDS. In reaffirming the importance of disseminating high-frequency data on a timely basis, the Sub-Group signaled the need for continued efforts to improve the coverage of quarterly series on multilateral claims.
- ***Trade credits:*** The Sub-Group agreed with the proposal to re-label the “trade credit” series as “officially supported trade-related credits.”
- ***Short-term debt (debt due within a year):*** The Sub-Group reaffirmed the importance of disseminating data on short-term debt in the JDS. Presently, this information is not available from the BIS locational banking data, and the consolidated banking statistics are used as proxy.
- ***Bilateral official loans:*** It was agreed that the JDS series on “official bilateral loans” will be disaggregated into aid and non-aid loans.

Implementation of the External Debt Guide (COMSEC and UNCTAD)

The Commonwealth Secretariat (COMSEC) and UNCTAD apprised TFFS members of their activities in implementing the recommendations of the *External Debt Guide*. COMSEC highlighted the growing importance of domestic public sector debt in COMSEC client countries, and also indicated that COMSEC software will continue to be strengthened to meet the emerging challenges, including incorporating most of the reports for reporting debt data to the new World Bank quarterly debtor database. UNCTAD’s initiatives in debt management includes work on compiling a Participant’s Handbook on Debt Statistics that would promote the dissemination of statistics in line with international statistical standards. While the current version of UNCTAD’s system (DMFAS) has been adapted to produce debt

reports in accordance with the classifications of the *External Debt Guide*, further work on revising the entire DMFAS coding and classification scheme will be undertaken to make the software fully compliant with the *External Debt Guide*.

Development of public debt statistics

Calling attention to the paucity of public sector debt statistics for cross-country and balance sheet analysis, the IMF's Policy and Development Review (PDR) Department tabled a proposal at the TFFS meeting for the development of public debt statistics, using a two-step approach. The proposal entails assembling existing statistical series on public sector debt in a single electronic source that could be accessed easily, and collecting more comprehensive public debt data from country authorities using an appropriate template for public debt reporting and dissemination. PDR was keen to place this proposal before the TFFS because of its successful collaboration in gathering external debt statistics. TFFS members broadly supported the proposal and emphasized that going forward the initiative should draw on the Task Force on Harmonization of Public Sector Accounts's methodological work. The IMF was to draft a consultative paper based on current statistical frameworks.