

**Twenty-Third Meeting of the
IMF Committee on Balance of Payments Statistics
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**Progress Report on the Work of the
Inter-Agency Task Force on Finance Statistics**

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

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Progress Report on the Work of the Inter-Agency Task Force on Finance Statistics

EXECUTIVE SUMMARY

This report provides an update of the main activities of the Inter-Agency Task Force on Finance Statistics (TFFS)¹ since the 2009 meeting of the Committee. The annual meeting of the TFFS at the World Bank headquarters in Washington DC, USA on March 4-5, 2010 was an occasion to discuss progress in the preparation and dissemination of the Public Sector Debt Statistics (PSDS) Guide; issues to be addressed in the upcoming update of the External Debt Statistics (EDS) Guide; enhancements to the JEDH; the updated information about QEDS participation by GDDS participants and SDDS subscribers; the progress in the public sector debt database by the World Bank; and further enhancements of the TFFS website. This report is provided to Committee members for information.

I. METHODOLOGICAL WORK

A. Public Sector Debt Statistics Guide

1. During the March 2010 TFFS meeting, agencies agreed to post the draft of the *Public Sector Debt Statistics (PSDS) Guide* on the TFFS website for worldwide comments. The official comment period was from mid-August to mid-October 2010. TFFS agencies also agreed to be proactive in publicizing the draft and to positively encourage feedback. Finally, TFFS member agencies will assess the possibility of co-signing the *PSDS Guide* to be consistent with the successful approach taken with the *External Debt Statistics (EDS) Guide*, and consider ways to actively promote the *PSDS Guide* after publication, including through workshops, seminars, and other similar activities. The IMF has already scheduled courses in Brasilia, Singapore, and Vienna in 2011 based on the *PSDS Guide*. Other TFFS agencies will be invited to contribute. The final draft of the *PSDS Guide* is expected to be published in early 2011.
2. At the beginning of August 2010, the IMF completed the draft chapters of the *PSDS Guide* (See Annex 1 for the list of chapters and annexes), after addressing comments provided by the TFFS agencies. As agreed at the 2010 TFFS meeting, the IMF sent an email to all its member countries informing them that the first draft of the *PSDS Guide* was completed and posted on the TFFS website (<http://www.tffs.org/PSDStoc.htm>), and requesting comments by October 15, 2010.

¹ The TFFS agencies represented in the meeting were the BIS, Commonwealth Secretariat (ComSec), European Central Bank (ECB), EUROSTAT, IMF, OECD, UNCTAD, and the World Bank. The Paris Club Secretariat did not attend the meeting.

B. External Debt Statistics Guide

3. To keep abreast of economic developments and changing data needs in economic analysis, the *1993 SNA* and *BPM5* have been updated, and the *2008 SNA* and *BPM6* have now been published. The TFFS has closely monitored these updates, to assess their impact on the *EDS Guide*.

4. On the whole, the *EDS Guide* remains largely consistent with the updated standards. The *BPM6* will require only a limited number of changes in the methodological treatments in the *EDS Guide*. These issues are discussed in the following paper, approved at the March 2009 meeting of the TFFS: [Update of the External Debt Guide on Issues Emerging from BPM6](#).

5. The TFFS agreed that work on the update (rather than a rewrite) of the *EDS Guide* will be undertaken beginning in 2011 with the objective of having the next *EDS Guide* ready by 2013. Although the *EDS Guide* remains largely consistent with the new standards, a substantial amount of work is involved.

6. During the March 2010 TFFS meeting, member agencies discussed the following issues regarding the *ED Guide*:

a. **Valuation issues** are relevant for the *EDS Guide*, as well as for the *PSDS Guide*. The IMF recalled that market value is the standard valuation recommended in international statistical standards, but that nominal value is also largely requested for debt analysis purposes, e.g., for liquidity analysis. The IMF proposed that the *PSDS Guide* and the updated *EDS Guide* recommend that: i) both market and nominal values be provided, and ii) a reconciliation table between market and nominal values be included to allow the user to compare the two measures. Following a discussion, TFFS members unanimously agreed with the proposal. In addition, TFFS members noted that specific guidance should be provided in both guides on the valuation of complex instruments, including structured debt instruments.

b. **Other issues not related to the adoption of BPM6 where the EDS Guide could be updated.** IMF staff intend to provide a paper for the next meeting of the TFFS, that sets out the modalities of the update and a list of issues that need to be addressed in the update that do not arise from *BPM6*. For example, there has been recent interest in government guaranteed debt, including in the circumstance where the issuer is a nonresident of the economy of the government. The paper will discuss this and other issues, and will be prepared and circulated by the secretariat ahead of the next meeting of the TFFS.

II. AVAILABILITY OF DEBT DATA

A. JEDH Issues

7. A number of enhancements to the JEDH have been implemented subsequent to the 2009 meeting of the IMF Committee on Balance of Payments Statistics. In particular, the OECD has included in its work program the data production of official credits (“official bilateral loans”) to be disseminated in the JEDH website. An acceleration of the production process is planned. The data for 2008 were available in June 2010, together with revised data for 2007. With regard to export credits, there is no consensus among the OECD membership on the importance of collecting and maintaining data on export credits, and it is not likely that current period estimates of the stock of export credits would be available in the near future. As agreed at 2009 TFFS meeting, the OECD checked the historic export credit data present in the JEDH database, and did not observe any problems.

8. The World Bank expanded the JEDH database to include SDR allocations (debt liabilities) and SDR holdings (reserve assets), Paris Club claims², and national data on the gross external debt position from economies reporting to the GDDS/QEDS database. These data sets were included in JEDH in February/March 2010. Following the expansion of the JEDH database by the World Bank, the Appendix 1 of the JEDH Service Level Agreement (SLA) was updated accordingly to reflect the changes made to the creditor/market table with the inclusion of the Paris Club claims and the SDR allocations and holdings, as well as adding Berne Union to the relevant lines for the data on insured export credit exposures. Some questions arose during the update of the SLA (in particular, questions arose in connection with the definition of creditor versus debtor data – these terms are used in an annex to the SLA). These questions will be discussed at the 2011 TFFS meeting.

B. World Bank Debtor Data

9. Good progress is being made with the Quarterly External Debt Statistics (QEDS) online databases (www.worldbank.org/qeds). As of end-August 2010, 63 SDDS subscribers reported data for the SDDS/QEDS, and 43 GDDS participants have accepted to participate in GDDS/QEDS, of which 32 have reported data for 2009Q4 and 25 have also reported data for 2010Q1.

10. After consulting with TFFS agencies, the World Bank encouraged QEDS participants (both GDDS participants and SDDS subscribers) to report the SDR allocations as an external debt liability. Also, the World Bank communicated with the QEDS correspondents to provide guidance for appropriate reporting of their SDR allocations and request them to include an explicit reference in their QEDS metadata identifying any departure from the international

² The World Bank has included a new line on total claims held by Paris Club creditors for individual debtor countries (including metadata) based on data available at the Paris Club website and quality checked and formatted by BIS in a similar fashion as the Berne Union data. Data are disaggregated into official development assistance (ODA) and non-ODA.

standards. The increase in the gross external debt due to the SDR allocation was reflected in the 2009Q3 data starting in the January 2010 QEDS data release.

C. World Bank Public Sector Debt Data

11. To improve the international availability and comparability of public sector debt data, the World Bank is developing a database that will bring together detailed public (external and domestic) debt data. During the March 2010 TFFS meeting, the World Bank proposed to collect quarterly data from developing/emerging market countries. The following is the range of sectors for which data can be collected: (1) general government; (2) of which, central government; (3) of which, budgetary central government; (4) nonfinancial public corporations; (5) financial public corporations; and (6) total public sector. To participate in the database, countries are required to provide data on central government only.

12. The TFFS members supported the launch of the database subject to several recommendations, including that good crosschecking procedures of the data supplied should be put in place by the World Bank given recent experiences of misreporting of government data, and that the main presentation table should include a domestic/foreign currency breakdown. The database is expected to be launched by end-calendar 2010.

III. CAPACITY BUILDING

A. Training on External Debt Statistics

13. As mentioned in last year's report, IMF training on EDS has been reduced to accommodate training in *BPM6* and *CDIS*. An IMF HQ-based course on external debt statistics is scheduled for July 2011, two years after the previous similar course. The IMF has continued participating in training activities on external debt statistics organized by other TFFS members and/or regional organizations, including a regional workshop on debt reports and statistics organized by MEFMI in Tanzania (July 2010).

14. ComSec and UNCTAD also provide support to countries in the production and dissemination of debt statistics. During 2010, ComSec conducted activities related to compilation and dissemination of public debt statistics, including a Caribbean regional workshop on the production of a public debt bulletin in Barbados in June, and a national workshop on developing a public debt bulletin in Sierra Leone in October. ComSec will also organize a regional workshop on developing a public debt bulletin for the West African region in Sierra Leone in October 2010 and a national workshop on developing a public debt bulletin for Dominica in November 2010. In the past 12 months, UNCTAD concluded three debt statistics workshops in 2010, in Cape Verde in March/April with the Ministry of Finance and the Central Bank, in Mali in April with the Ministry of Finance, and in Côte d'Ivoire in May with the Ministry of Finance. Follow-up workshops were conducted in Mali in June and in Côte d'Ivoire in July 2010. In September/October 2010, training will be conducted in Venezuela, while for the rest of 2010, additional debt statistics activities are planned for Togo, the Republic of Congo and Oman.

IV. TFFS WEBSITE

15. The TFFS website (www.tffs.org) is hosted by the IMF and was launched in December 2008. The website includes relevant documentation of the main activities of the TFFS (methodology, data availability, data quality, and capacity building); summaries of TFFS meetings and reports (agendas, minutes, activity reports of the attending agencies since 2008, and reports to BOPCOM and the UN Statistical Commission since 2000 and 2003 respectively); and additional documents and links to related sites.

16. Since the last BOPCOM meeting, the TFFS website has been updated mainly to reflect the progress in issues related to the public sector debt data, and to disseminate the *PSDS Guide* and the Public Sector Debt Table (template). Posting the *PSDS Guide* on the TFFS website should help promote the website and the work of the TFFS.

V. FORWARD WORK PROGRAM OF THE TFFS

17. The list of issues for the next meeting is to be circulated by the TFFS Secretariat in the last quarter of 2010. The following items are already included in the list: (1) Update of the *EDS Guide*; (2) Preparation of an inventory of work done and requirements regarding statistics on trade credits; (3) Update of the JEDH, in particular the preparation by the BIS of a revised comparator table including Berne Union data and of some proposals to improve the user-friendliness of the creditor tables; (4) Update on the status of the Public Sector Debt database and the launch of the *PSDS Guide*; (5) Promoting the work of TFFS through the website; (6) Analytical use of debt data; (7) Discussion of contingent liabilities given the policy interest in this item; and (8) Potential technical corrections to the SLA, in connection with use of the terms “debtor” and “creditor” in Annex I.

VI. NEXT MEETING

18. The TFFS member agencies will next meet in London, in March 2011, at the ComSec’s Headquarters.

Annex I

DRAFT
PUBLIC SECTOR DEBT STATISTICS
GUIDE FOR COMPILERS AND USERS

All materials are draft. Please send comments and queries to stagoast@imf.org.

PUBLIC SECTOR DEBT STATISTICS—GUIDE FOR COMPILERS AND USERS

Introduction [August 2010]

Part I: Conceptual Framework

- Chapter 1 [Definitions and Accounting Principles](#) [August 2010]
 Chapter 2 [Identification of Debt Instruments and Institutional Sectors](#) [August 2010]
 Chapter 3 [Selected Issues in Public Sector Debt](#) [August 2010]
 Chapter 4 [Presentation of Public Sector Debt Statistics](#) [August 2010]

Part II: Compilation Principles and Practices

- Chapter 5 [Data Collection, Compilation, and Dissemination](#) [August 2010]
 Chapter 6 [Identifying the Holders of Traded Debt Securities](#) [August 2010]
 Chapter 7 [Consolidation of Public Sector Debt Statistics](#) [August 2010]

Part III: Some Analytical Uses of Public Sector Debt Statistics

- Chapter 8 [Some Analytical Uses of Public Sector Debt Statistics](#) [August 2010]

Part IV: Work of International Agencies

- Chapter 9 [Work of International Agencies](#) [August 2010]

Appendices

- Appendix 1 [Reconciliation of Public Sector Debt Flows and Stocks](#) [August 2010]
 Appendix 2 [Relationship between Public Sector Debt Statistics and External Debt Statistics](#) [August 2010]