

**Twenty-Fifth Meeting of the
IMF Committee on Balance of Payments Statistics
Washington D.C., USA
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(Rescheduled from October 29–31, 2012)**

**Progress Report on Work of the
Interagency Task Force on Finance Statistics (TFFS)**

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

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EXECUTIVE SUMMARY

1. This report provides an update of the main activities of the Inter-Agency Task Force on Finance Statistics (TFFS) since the 2011 meeting of the IMF Committee on Balance of Payment Statistics (Committee). The annual meeting of the TFFS¹ at the International Monetary Fund (IMF) Headquarters in Washington DC, USA on March 22-23, 2012 was an occasion to discuss key methodological issues related to the update work of the *External Debt Guide Statistics: Guide for Compilers and Users (EDS Guide)* and agree on the way forward; identify ways to encourage participation of countries in the Public Sector Debt (PSD) Statistics Database; present the enhancements to the Joint External Debt Hub (JEDH); and inform about countries' participation in the Quarterly External Debt Statistics (QEDS) database. This report is provided to the Committee members for information.

I. METHODOLOGICAL WORK

A. Update Work of the *EDS Guide*

2. Since the 2011 meeting of the Committee, the IMF's Statistics Department, in close collaboration with the TFFS agencies, has been intensely working on the update of the *EDS Guide* to take account of changes introduced by the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)* and *2008 System of National Accounts (2008 SNA)*. Overall, the *EDS Guide* remains largely consistent with the updated standards. Only a limited number of the methodological issues in *BPM6* call for changes or clarifications in the *EDS Guide*. TFFS agencies agreed to maintain the overall structure of the *EDS Guide*.

3. The main item of the 2012 TFFS meeting agenda was the update work of the *EDS Guide*. The IMF prepared a paper for discussion identifying the main methodological issues raised by TFFS agencies and several IMF departments related to Part I (Conceptual Framework—Chapters 2-9) and Appendices I, III, and VII, which were distributed prior to the TFFS meeting. Two methodological papers on “Contingent Liabilities—Propose Update of Chapter 9” and “Arrears: Their Treatment in Debt Statistics—Proposed Appendix VII” were also prepared for discussion at the meeting.

4. After addressing comments received from TFFS agencies and several IMF departments, the drafts of the Conceptual Framework (Part I) and Appendices I, III, and VII were posted on the TFFS and IMF websites in September 2012 for public comments by November 23, 2012. The TFFS informed balance of payments and external debt statistics compilers about the posting via email. The TFFS agreed to strengthen the private sector

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

external debt statistics compilation, for which a new Appendix on the subject will be included in the *EDS Guide*. The updated structure of the *EDS Guide* is presented in the Annex.

5. Key dates for the ongoing update work of the *EDS Guide* are: (i) the remaining chapters (Parts II, III, and IV) and five additional appendices will be posted for public comments in November 2012; (ii) the revised complete version will be prepared for TFFS endorsement at the 2013 TFFS meeting; and (iii) the pre-publication version will be posted by September 2013.

B. Public Sector Debt Statistics Guide

6. During the March 2012 TFFS meeting, the IMF presented the work done since the prior TFFS meeting regarding the *PSDS Guide*. In December 2011, the final version of the *PSDS Guide* was posted on the TFFS website and also disseminated in book form. Since its publication, TFFS members have been actively promoting the *PSDS Guide* through workshops, seminars, and other similar activities.

II. AVAILABILITY OF DEBT DATA

A. JEDH Issues

7. Enhancements to the JEDH have been implemented subsequent to the 2011 Committee meeting, including the update of the creditor/market table to further improve its analytical usefulness. The JEDH agencies (BIS, OECD, World Bank, and the IMF) approved by email exchange the update of the attachments to the Service Level Agreement (SLA) and the triennial review of the SLA was completed. The continued strong user interest in the JEDH tables was reported.

B. World Bank Quarterly External Debt Statistics Database

8. Good progress is being made in the economies' participation in the QEDS database (www.worldbank.org/qeds). As of end-September 2012, about 110 economies have reported quarterly external debt position data to the QEDS database. Sixty seven SDDS subscribers and the Euro Area reported data for Table 1 (gross external debt position by sector—SDDS prescribed category), 26 economies reported data for Table 2 (foreign currency and domestic currency external debt position—SDDS encouraged item), 12 economies reported data for Table 3 (debt service payment schedule—SDDS encouraged item), and 27 economies reported at least one of the six supplementary tables. In addition, 42 GDDS participants have reported external debt position data for the QEDS, of which seven economies reported the gross external debt position data by sector (SDDS prescribed category). As of end-September 2012, about half of the QEDS reporters included the SDR allocations in their total external debt position.

9. During the 2012 TFFS meeting, the discussion about QEDS was focused on how to further increase participation, particularly of GDDS economies. It was agreed that the World Bank will work in close coordination with the ComSec and UNCTAD in updating the status of countries reporting to the GDDS/QEDS.

10. The World Bank and the IMF have started implementing the necessary changes in QEDS resulting from the *EDS Guide* update. In this regard, the World Bank has introduced a “provisional” table (Table 1—*BPM6*) in the current SDDS/QEDS “template for external debt data” (set of tables to report external debt statistics) to facilitate reporting to the QEDS database for those QEDS reporters that intend to align or have aligned their external debt reports to the *BPM6* framework. In September 2012, the World Bank sent emails to SDDS/QEDS reporters to invite them to participate in reporting data to Table 1—*BPM6*. Data reported using Table 1—*BPM6* will be published in a separate Excel file in the QEDS website beginning with June 2012 data in the October 2012 data release.

C. Quarterly Public Sector Debt Statistics Database

11. The quarterly public sector debt (PSD) statistics database comprises data on gross public sector debt positions at nominal value. The range of sectors for which quarterly data can be provided includes: (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.² The participation of countries in the PSD statistics database is voluntary, as it is in the QEDS database. The minimal requirement is reporting central government debt position data by type of instrument. The database is a collaborative effort by the World Bank, OECD, and IMF.

12. As of end-September 2012, 68 economies provided position data for the PSD statistics database, out of which 66 economies reported 2012Q1 data for central government, 45 economies for general government, and 25 economies for the nonfinancial public sector. Only 23 economies reported data for the public sector as a whole.

13. The participating international organizations have continued encouraging economies to join the initiative. ComSec and UNCTAD informed that their reporting systems were updated to include the public sector debt table. In June 2012, a videoconference involving World Bank, OECD, and IMF took place to discuss the transmission of public sector debt data to the centralized database and ensure inter-organizational consistency. One outcome of this meeting was the creation of a public sector debt statistics working group consisting of representatives from the World Bank, OECD, and IMF with a mandate of maintaining a

² The database includes position data by both original and remaining maturity (short term and long term), broken down by instrument, as well as position data by currency of denomination (domestic and foreign currency) and by residence of the creditor (domestic and external creditors).

continuous dialogue on any outstanding issues such as methods of data presentation and time of release consistency between organizations. A follow-up videoconference took place in late September 2012. In addition, ECB, Eurostat, IMF, OECD, and World Bank have coordinated on the inclusion of general government debt data of advanced economies.

III. CAPACITY BUILDING

A. Training on External Debt Statistics

14. As part of the CAPTAC-DR Regional Harmonization Project on External Sector Statistics (RHPESS) for Central America, Panama, and the Dominican Republic work program, the IMF conducted a workshop on external debt statistics in Managua, Nicaragua, on June 12-15, 2012. Sixteen officials mainly from central banks involved in the external sector statistics compilation participated. The workshop presented the main changes in the *EDS Guide* as a result of the *2008 SNA* and *BPM6*, and was very well received.

15. Looking forward, the IMF will resume its training in external debt statistics at the IMF's regional training centers, by conducting a two-week course in Vienna at the JVI in December 2012. A four-week course on external debt statistics at IMF headquarters and at least one two-week regional course (possibly at the STI-Singapore) will be also conducted in 2013. These courses will be fully in line with the updated *EDS Guide*. As usual, the collaboration of the TFFS member agencies will be highly welcome.

16. ComSec and UNCTAD also provided support to countries in the production and dissemination of debt statistics, through conferences, regional workshops, and country-specific activities.

17. Over the past year, ComSec organized four training workshops on the compilation and dissemination of debt statistics through the production of a comprehensive *Public Debt Bulletin*. Two of the workshops were at the regional level, one for Eastern and Southern Africa sub-region and the other for the Pacific sub-region. The other two were delivered as in-country capacity building for Mauritius and The Maldives. ComSec also organized a global workshop on leveraging debt management for effective public financial management. In 2011, it inaugurated an initiative to update countries on enhancements to recording and reporting facilities in its Debt Recording and Management System software (CS-DRMS), as well as to build capacity for database validation. Three missions were undertaken in this regard, to Guyana, Barbados, and Jamaica. Malawi, Tanzania, The Maldives, Nigeria, Barbados, Guyana, and Jamaica were assisted in developing comprehensive public debt databases in CS-DRMS by integrating domestic debt with external debt data. A mission to the Solomon Islands was conducted to assist the country to build capacity for implementing multicurrency multi tranche debt restructuring in the CS-DRMS database. ComSec continued the strong push on the eLearning program, which has proved a viable efficient compliment to traditional face-to-face training. So far, 135 country officials were trained under the program.

18. Similarly, UNCTAD conducted twenty workshops related to debt statistics. These workshops complement the training activities on UNCTAD's debt management software—the Debt Management and Financial Analysis System (DMFAS)—and further deepen its use for the production of debt statistics and related outputs. Seven debt statistics workshops that provide support for countries' production of their debt statistics bulletins and reports were completed with Angola, Burundi, Cambodia, Mali (two workshops), Paraguay, and Uganda. Eight data validation workshops, promoting complete, consistent, and reliable debt databases and providing the basis for the production of debt statistics, were also completed. Seven national workshops were held with Cambodia, Democratic Republic of Congo, Guinea-Bissau, Laos, Oman, Vietnam, and Zambia. Also, a regional data validation workshop was conducted with the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) in Zimbabwe for representatives from five countries (Angola, Rwanda, Uganda, Zambia and Zimbabwe). Five debt portfolio analysis workshops, which use the debt statistics produced from the validated databases to produce debt portfolio analyses, were completed for Burundi (two workshops), Cambodia, Egypt, and Uganda. In addition, the DMFAS Programme has almost completed the second version of its data validation module and is currently producing the second version of its debt statistics module; these new modules are being updated after almost eight years and will incorporate the latest standards relating to the *EDS Guide* and the *PSDS Guide* and the latest developments in the area of debt statistics.

IV. FORWARD WORK PROGRAM OF THE TFFS

19. The main activities included in the 12-month work program agreed at the March 2012 TFFS meeting are: (1) the update of the *EDS Guide*; (2) progress on the PSD statistics database, QEDS, and JEDH; (3) World Bank's initial investigations into an external debt Data Structure Definition (DSD); and (4) implementation of changes in the QEDS database as a result of the *EDS Guide* update.

V. NEXT TFFS MEETING

20. The TFFS member agencies will next meet in Paris, France, on March 14-15, 2013, at the OECD's Headquarters.

ANNEX: *EDS GUIDE* – STATUS OF UPDATE

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Note-Deadlines are shown for chapters and appendices that have been posted on the TFFS website (<http://www.tffs.org/edsguide.htm>) for public comment.