

TFFS
TASK FORCE ON FINANCE STATISTICS

Meeting of the Task Force on Finance Statistics
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2012 OECD Occasional Report

Prepared by the OCED



2012 Progress Report by the OECD

1. Official credits

In June 2010, the OECD Development Cooperation Directorate (DCD) provided the JEDH with data on official bilateral loans for 2008 and 2009 in SDMX format. This year, it will provide data for 2010 flows and will also resubmit 2009 data as there have been some revisions. This data will be submitted in June in SDMX format.

For further information, please contact Ms. Yasmin Ahmad (yasmin.ahmad@oecd.org).

2. Non-ODA flows

Since the beginning of 2011 the DAC Secretariat has been implementing a new work stream on non-ODA flows in order to improve the coverage of its statistical collection on broad development financing. This consists of a review of the current statistical series on other official and private flows reported by members in DAC statistics, (including an assessment of the coverage of this reporting - i.e. the extent to which the data reflect the various forms of financial transfers to developing countries) and a reflection on how to further valorise members' financing to developing countries beyond ODA (including guarantees).

In this context, the DAC Secretariat has, up to now, undertaken a complete review of export credits and Development Finance Institutions' activities and now the objectives are to develop concrete proposals for improving our statistics in these areas and, to the extent possible, streamlining our data series and definitions with other OECD bodies already collecting the same information (e.g. on export credits and international direct investments).

For further information, please contact Ms. Yasmin Ahmad (yasmin.ahmad@oecd.org).

3. Export credits

The collection of information on official export credit flows reported via CRS Forms 1C and 3 that have been processed by the Export Credits Division of the Trade and Agriculture Directorate of the OECD will be discontinued as from 1 January 2013. A new comprehensive export credit reporting system is being developed, with the first Phase (detailed, transaction-level reporting for official export credits with a repayment term of two years or more) coming into effect on the above-mentioned date. A sub-set of the transaction-specific data (export credits provided to buyers in IDA-Only countries) collected by the Export Credits Division is provided regularly to the World Bank and IMF for use in relation to Debt Sustainability Analyses (DSAs).

Under the new regime, it is likely that debt stock data for export credits will no longer be collected, A final decision on this issue is likely to be made in 2013.

For further information, please contact Mr. Michael Gonter (michael.gonter@oecd.org).

4. Quarterly Financial Sector Accounts - QFSA

In the framework of the recommendation 15 – Sector Accounts, made by the G-20 Data Gaps Initiative (DGI), the OECD Statistic Directorate (STD) has developed a database on Quarterly Financial Accounts and Financial Balance Sheets by institutional sector (households, government, financial corporations, non-financial corporations and the rest of the world) for all OECD countries, which follows the System of

National Accounts – SNA. These data are now available on the OECD data warehouse named “OECD.Stat” as well as on the joint Principal Global Indicators website, hosted by the IMF (www.principalglobalindicators.org).

The annual data collection on financial accounts and financial balance sheets remains and includes 2010 data. These data are also available on the OECD data warehouse.

For further information, please contact Ms. Michèle Chavoix-Mannato (Michele.chavoix-mannato@oecd.org) or Ms. Isabelle Ynesta (Isabelle.ynesta@oecd.org).

It is envisaged to collect and disseminate ‘from-whom-to-whom’ financial positions and flows, as part of the work programme for enhancing sectoral macroeconomic accounts under the G20 DGI Recommendation 15, once the 2008 SNA is implemented in OECD countries.

5. Quarterly Public Sector Debt

In the framework of the recommendation 18 – Public Sector Debt, made by the G-20 Data Gaps Initiative (DGI), the OECD Statistics Directorate, in cooperation with the World Bank and the IMF, has set up a data collection on Quarterly Public Sector Debt for all OECD countries, in line with the 2008 SNA, to support macroeconomic analysis and cross-country comparisons. It covers general government, central government and more broadly public sector debt, broken down by details on instruments, maturity, the residence of creditor, and currency.

Public sector debt data are consolidated both at the sector and sub-sector levels and data are generally recorded at nominal value.

These data will be available soon on the OECD data warehouse named “OECD.Stat” and on the World Bank website.

For further information, please contact Ms. Michèle Chavoix-Mannato (Michele.chavoix-mannato@oecd.org) or Ms. Isabelle Ynesta (Isabelle.ynesta@oecd.org).

As a consequence, the OECD Statistics Directorate has suspended the collection and dissemination of annual data on Central Government Debt.

6. OECD Financial Dashboard

The recent financial and economic crises have underlined the importance of monitoring financial activity and position of the various institutional sectors of national economies by using timely, frequent and comparable financial statistics. The OECD Statistics Directorate has developed a set of financial indicators based on financial accounts for all OECD countries, and EE5 countries as far as possible, to help policy makers to analyse the behaviour and performance of the various institutional sectors and to carry out cross-country comparisons. Annual indicators will be made available on the OECD statistical website for the first time by end of March 2012. They will then be calculated and published on a rolling basis.

For further information, please contact Ms. Isabelle Ynesta (Isabelle.ynesta@oecd.org).

It is envisaged at a later stage to also compile quarterly financial indicators.

7. Other work undertaken by the OECD Statistics Directorate in the context of the G20 DGI

In the framework of the recommendation 15 – Sector Accounts, made by the G-20 Data Gaps Initiative (DGI), the OECD Statistic Directorate (STD) has developed a database on **Quarterly Non-Financial Accounts** by institutional sector for all OECD countries, which follows the System of National Accounts – SNA.

In 2009, Eurostat had an agreement with the OECD Statistics Directorate (STD) for transmitting Quarterly Non-Financial Sector Accounts (QNFSA) data of EU countries to the OECD, under the condition of confidentiality, with the permission of EU statistical offices. Most countries supported and allowed Eurostat for the transmission of QNFSA data to the OECD from April 2010. However, the OECD was not allowed to release QNFSA data for individual countries under the agreement.

Recently, Eurostat conducted a survey requesting EU countries to identify the data series that can be published. Based on the survey result, Eurostat will transmit QNFSA data to the OECD from the 2012Q1 providing information on publishable and confidential status. The OECD will release the publishable data on the OECD.Stat thereafter.

For non-EU OECD member countries, the OECD started collecting QNFSA data using questionnaires in September 2011. Some countries started transmitting data to the OECD, which are released on OECD.stat soon after they are transmitted.

For further information, please contact Mr. Jiemin Guo (Jiemin.GUO@oecd.org) or Ms. Rachida DKHISSI (Rachida.DKHISSI@oecd.org)

A joint **Expert Group on Disparities in National Accounts – DNA** was launched at the end of 2010 by the OECD and Eurostat to consider how existing micro data could be used to produce estimates of disparities between groups of households in the framework of National Accounts. Two face-to-face meetings were held in 2011. The main focus of these meetings was on the availability of micro and macro information on household income, consumption and wealth. Similarities and divergences between the two types of sources were analyzed.

In 2012, the Expert Group members will aim at generating results based on a common and simplified methodology matching the two types of sources, and having information on disparities indicators on household income, consumption and saving rates by group of households, consistent with SNA averages and comparable across countries. The final report is expected to be sent to the OECD Statistics Committee (CSTAT) by the end of 2012.

For further information, please contact Ms. Michèle Chavoix-Mannato (Michele.chavoix-mannato@oecd.org).

8. OECD Activities on Central Government Debt

In a parallel effort to the database on general government debt in line with SNA, the OECD also undertakes the annual collection of data for central government debt and policies according to the specific requirements of the Statistical Yearbook on Central Government Debt . The Central Government Debt database, under the auspices of the Working Party on Public Debt Management (WPDM)¹ includes

1. The mandate of the OECD Working Party on Debt Management (WPDM) is to serve as a policy forum for senior government debt managers from OECD Member countries to exchange views, experiences and policies in the field of

quantitative and qualitative information on the Central Government specific debt instruments (see Annex 2 for details). The OECD Statistical Yearbook on Central Government Debt (and Public Debt Policies) is currently being revised to also provide detailed breakdowns on public debt management policies and information on related primary and secondary government securities markets, as part of the OECD contribution to the G20 Action Plan on Local Currency Bond Markets. The collection and provision of these data can serve as satellite accounts and complementary information.

However, to effectively carry out the work on these 2 complementary databases (*General Government Debt* in line with SNA and *Central Government Debt* in line with the specific requirements of the Statistical Yearbook), the following organisational changes have been made. From 2012, the OECD Statistics Directorate will no longer assume responsibility for the annual collection of data for central government debt according to the specific requirements of the OECD Statistical Yearbook on Central Government Debt (and Public Debt Policies). It is suggested that OECD's Directorate For Financial and Enterprise Affairs (DAF) will take full responsibility for the collection and provision of these data as satellite accounts and complementary information.

For further information, please contact Mr. Hans Blommestein (Hans.Blommestein@oecd.org) Head of OECD's Public Debt Management and Bond Market Unit or Ms. Perla Ibarlucea Flores (Perla.IBARLUCEAFLORES@oecd.org)

9. OECD-Italian Network for Supporting Sound Public Debt Management in Emerging Markets

The OECD-Italian Network for Public Debt Management in Emerging Markets is the result of a joint OECD-Italian initiative from 2002 and subsequently adopted by the OECD Working Party on Debt Management (WPDM). It provides an additional (electronic) feature of OECD co-operation in the area of public debt management, by offering participants from OECD and emerging markets continuous on-line access to the Working Party's pool of knowledge on experiences and leading practices and techniques on all aspects of sound public debt management. The Network also supports the building of strong emerging bond markets.

It is envisaged that in the future the website of the Network will also provide statistical information on public debt of emerging markets using the OECD methodology from the OECD Statistical Yearbook on Central Government Debt.

This electronic source (www.publicdebtnet.org) operates under the aegis of the OECD WPDM. A Governance Group (members: Italian Treasury, the Chairman of the WPDM, a number of other Delegates and the OECD Secretariat) is responsible for the implementation of the POW of the Network. The Website of the Network plays therefore an important supporting role in executing the WPDM's outreach programme by diffusing in an efficient fashion the Working Party's pool of information, including statistics. The Network also contributes to the annual Global OECD Forum on Public Debt Management.²

government debt management and government securities markets. Discussions include also an assessment of the impact of other policies which materially influence debt management operations and central government debt markets such as regulation, supervision and reporting standards. Over the years, the Working Party has compiled a unique up-to-date pool of knowledge on leading practices, techniques, strategies, and operations in this special field of government activity and policy. The WPDM has also a significant outreach programme supported by the OECD-Italian Network for Public Debt Management.

² For example, the network organised a session on auctions in the 2005 Forum meeting, held in Amsterdam.

The Network is also a very useful tool to reduce some of the burden of bilateral contacts between OECD Debt Management Offices and their counter-parts from emerging markets, in particular by providing efficient access to information on OECD debt policies and bond market practices.

A formal MOU was signed in 2004. A revised MOU is currently being drafted. Its permanent Secretariat is based in the Italian Ministry of Finance [Rome-based manager: Maria Cannata, Director General; Maria.Cannata@tesoro.it). OECD manager: Hans Blommestein Hans.Blommestein@oecd.org].

The OECD is also carrying out work on African public debt management and bond markets and has recently published a Statistical Yearbook on African Central Government Debt (see Annex 3). For further information, please contact Mr. Hans Blommestein Hans.Blommestein@oecd.org, Head of OECD's Public Debt Management and Bond Market Unit and Chair of the Steering Committee of the OECD project on African Public Debt Management and Bond Markets or Ms. Perla Ibarlucea Flores (Perla.IBARLUCEAFLORES@oecd.org)

ANNEX 1

OECD STATISTICS DIRECTORATE

FINANCIAL STATISTICS

OECD DATABASE ON QUARTERLY FINANCIAL SECTOR ACCOUNTS

Coverage

The Financial account, which is the second accumulation account, records financial flows: it indicates the types of financial instruments utilised by the different institutional sectors to acquire financial assets or incur liabilities.

The Financial balance sheet, which completes the sequence of the accounts and gives a picture of their financial net worth at the end of the accounting period, records the stocks of the financial assets and liabilities held by the institutional sectors, at the end of the period.

The sectors for which information is presented are:

- Total economy (S1)
 - Non-financial corporations (S11)
 - Financial corporations (S12) and its sub-sectors (S121 to S125)
 - General government (S13) and its sub-sectors (S1311 to S1314)
 - Households (S14)
 - Non-profit institutions serving households (S15)
- Rest of the world (S2)

Non-EU countries report both quarterly consolidated and non-consolidated financial accounts and financial balance sheets when available. EU countries provide non-consolidated data only.

Thirty OECD countries have already reported quarterly financial accounts and financial balance sheets data (*See table 1 below for time coverage*). Two countries do not compile quarterly financial accounts (Mexico and Switzerland).

Valuation

As a general principal, the valuation of the financial assets and liabilities are at market value, which is the basic reference for valuation in the SNA.

Source

Data are compiled either by Central banks, or Statistical National Institutes. EU data are validated by the European Central Bank, and then transmitted to the OECD, while non-EU data are directly provided by national institutions to the OECD who validates it.

Table 1. Quarterly Financial Sector Accounts – Time coverage

	Financial accounts - Non consolidated	Financial balance sheets - Non consolidated	Financial accounts - Consolidated	Financial balance sheets - Consolidated
Australia	not available	not available	Q1 1988 - Q3 2011	Q1 1988 - Q3 2011
Austria	Q1 2006 - Q3 2011	Q1 2006 - Q3 2011		
Belgium	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Canada	Q1 1970 - Q3 2011	Q1 1970 - Q3 2011	Q1 1970 - Q3 2011 (S13+ss)	Q1 1970 - Q3 2011 (S13+ss)
Chile	Q1 2005 - Q3 2011	Q1 2005 - Q3 2011		
Czech Rep.	Q2 2004 - Q3 2011	Q1 2004 - Q3 2011		
Denmark	Q1 2003 - Q2 2011	Q1 1999 - Q2 2011		
Estonia	Q1 2004 - Q3 2011	Q4 2003 - Q3 2011		
Finland	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
France	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Germany	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Greece	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Hungary	Q1 1999 - Q2 2011	Q1 1999 - Q2 2011		
Iceland	Q1 2004 - Q3 2011 (S13+ss)	Q1 2004 - Q3 2011 (S13+ss)	Q1 2004 - Q3 2011 (S13+ss)	Q1 2004 - Q3 2011 (S13+ss)
Ireland	Q1 2002 - Q3 2011	Q1 2002 - Q3 2011		
Israel	not available	not available	not available	not yet available
Italy	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Japan	Q1 2001 - Q3 2011	Q1 2001 - Q3 2011		
Korea	Q1 2003 - Q3 2011	Q1 2003 - Q3 2011		
Luxembourg	Q1 2005 - Q3 2011	Q1 2005 - Q3 2011		
Mexico	not available	not available	not available	not available
Netherlands	Q1 2005 - Q3 2011	Q1 2005 - Q3 2011		
New Zealand	not available	not available	not available	not available
Norway	Q1 1996 - Q3 2011	Q4 1995 - Q3 2011	Q1 1996 - Q3 2011	Q4 1995 - Q3 2011
Poland	Q1 2004 - Q3 2011	Q4 2003 - Q3 2011		
Portugal	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Slovak Rep.	Q1 2004 - Q3 2011	Q1 2004 - Q3 2011		
Slovenia	Q1 2004 - Q3 2011	Q1 2004 - Q3 2011		
Spain	Q1 1999 - Q3 2011	Q1 1999 - Q3 2011		
Sweden	Q1 1999 - Q2 2011	Q1 1999 - Q2 2011		
Switzerland	not available	not available	not available	not available
Turkey	Q1 2010 - Q3 2011 (S12, S121 to 123)	Q1 2010 - Q3 2011 (S12, S121 to 123)	Q1 2010 - Q3 2011 (S121 & S122)	Q1 2010 - Q3 2011 (S121 & S122)
United Kingdom	Q1 2000 - Q2 2011	Q1 2000 - Q2 2011		
United States	Q1 1952 - Q3 2011	Q1 1952 - Q3 2011	Q1 1952 - Q3 2011 (S13)	Q1 1952 - Q3 2011 (S13)

OECD STATISTICS DIRECTORATE

FINANCIAL STATISTICS

OECD DATABASE ON QUARTERLY PUBLIC SECTOR DEBT

The Public Sector Debt Statistics Database was launched in December 2010 at www.worldbank.org/qpsd and was initially focused on developing and emerging economies.

In December 2011, the OECD, the World Bank and the IMF, agreed to expand this database to the advanced economies and sent out a letter to invite OECD countries (except Czech Republic, Hungary, Mexico, Poland and Turkey, already covered by the World Bank for the first round) to participate in the Quarterly Public Sector Debt data collection. Experts from relevant national institutions have been nominated. The OECD and the World Bank have jointly contacted the nominees with specific details about the modalities of the data collection and have provided any methodological information needed to complete the tables.

Status of the data collection

Experts from twenty-one OECD countries have been nominated since December 2011. Five OECD countries have started to report quarterly data on Public Sector Debt (see details below). These data will be available on the OECD data warehouse named “OECD.Stat” by end of March 2012.

Table 1. Quarterly Public Sector Debt – Contact persons and data availability

COUNTRY	Contact person	nominated	Questionnaire & Guidelines sent	Data transmitted
AUS				
AUT	Walter STÜBLER Statistics Austria, Directorate Macro-economic Statistics Deputy Director Guglgasse 13, A-1110 Vienna Phone: +43-1-71128-7720 walter.stuebler@statistik.gv.at	10-01-2012	11-01-2012	
BEL	Anne MULKAY National Bank of Belgium, Financial Statistics - Financial Accounts Division Tel: + 32 (0) 2 221 28 02 Fax: + 32 (0) 2 221 31 97 Bld de Berlaimont, 14, B-1000 Brussels Anne.Mulkay@nbb.be	04-01-2012	11-01-2012	19-01-2012 S13 and S1311 Q1 1995-Q3 2011
CAN	Patrick O'HAGAN Director, Balance of Payments Division, Canadian System of National Accounts Statistics Canada 100 Tunney's Pasture Driveway Ottawa K1A 0T6 Tel: 613-951-1798 Fax: 613-951-9031 ohagpat@statcan.ca	06-01-2012	23-01-2012	
CHL				
CZE				
DNK	Martin RUNE RASMUSSEN Danmarks Statistik	05-01-2012	11-01-2012	

COUNTRY	Contact person	nominated	Questionnaire & Guidelines sent	Data transmitted
EST	Ms Anastassia TOMING Statistics Estonia anastassia.toming@stat.ee cc: to Ms Jevgenia KOZEVIKOVA Ministry of Finance jevgenia.kozevnikova@fin.ee	30-01-2012	09-02-2012	
FIN				
FRA				
DEU	Martin TAMBOUR Senior Executive Officer International Co-operation Federal Statistical Office of Germany (Destatis) Tel: +49 (0)611.752771 martin.tambour@destatis.de	20-02-2012	01-03-2012	
GRC	Mr. Costas MASSOURAS Director General for Economic Policy, Ministry of Finance gdop@m nec.gr	12-01-2012	23-01-2012	
	Mrs. Georgia DIMITROPOULOU Head of Real Sector, Directorate of Macroeconomic Analysis and Forecasting, Ministry of Finance zetadim@m nec.gr			
HUN				
ISL	Jinny GUPTA National Statistical Office jinny.gupta@hagstofa.is	05-01-2012	11-01-2012	11-01-2012 S1311 total: Q1 2004-Q4 2011 by maturity: from Q1 2008
IRL	Roderick O'MAHONY Central Statistics Office, Ardee Road, Dublin 6. Phone: 00 353 1 4984304 rod.omahony@cs o.ie	06-01-2012	11-01-2012	20-01-2012 S13, S1311 (+Budgetary=S1311) Q4 1999-Q3 2011 (+ Q4: 1995 to 1999)
ISR	Galina SELEZNEV Central Bureau of Statistics galinas@cbs.gov.il Gil COHEN Ministry of Finance gilco@mof.gov.il Michal OHANA Bank of Israel michal.ohana@boi.org.il	26-02-2012		
ITA				
JPN				
KOR				
LUX	Anne GREIDVELDINGER tel: (+352) 247-88470 Anne.Greiveldinger@statec.etat.lu	02-01-2012	11-01-2012	
MEX				
NLD	Mr. Floris JANSEN Statistics Netherlands fk.jansen@cbs.nl or fjnn@cbs.nl cc.: lpa.haakman@cbs.nl	20_01-2012	23-01-2012	

COUNTRY	Contact person	nominated	Questionnaire & Guidelines sent	Data transmitted
NZL	Anna DAVIES Senior Analyst International The Treasury Tel: +64 4 917 6976 Anna.Davies@treasury.govt.nz	31-01-2012	09-02-2012	
NOR				
POL				
PRT	Mr. Jose Sergio BRANCO Head of the Public Finance Statistics Unit Statistics Department Banco de Portugal Jose.Sergio.Branco@bportugal.pt	02-02-2012	09-02-2012	
SVK	Pavol BENO Head of Department of Statistical standards implementation MOF pavol.beno@mfsr.sk	05-01-2012	11-01-2012	
SVN	Ms. Katarina KOLER Ministry of Finance of the Republic of Slovenia Treasury Directorate, Central Govt Debt Mangt Dept Zupanciceva 3, SI-1000 Ljubljana Tel: +386 1 369 6454 Fax: +386 1 369 6599 katarina.koler@mfrs.si	10-01-2012	11-01-2012	
ESP	Mr. Luis GORDO Banco de España Lgordo@bde.es	20-01-2012	23-01-2012	22-02-2012 sectors GG, CG, BCG Q1 1995-Q3 2011
SWE	Mr. Mattias BJÖRLING Statistiska Centrbyrån National Accounts Department mattias.bjorling@scb.se	11-01-2012	10-02-2012	
CHE	André D. SCHWALLER Deputy Head Financial Statistics (FS) Federal Finance Administration FFA Tel: ++41 - 31 - 322 60 89 andre.schwaller@efv.admin.ch	23-02-2012	01-03-2012	
TUR				
GBR	David BAILEY Uk national Statistical Office david.bailey@ons.gsi.gov.uk	03-01-2012	11-01-2012	06-02-2012 Q1 1995-Q3 2011 GG, CG, NFP
USA	Susan HUME MCINTOSH Senior Economist and Special Project Coordinator Flow of Funds Section Board of Governors of the Federal Reserve System Washington, DC 20551 Tel: (202) 452-3484 \ FAX: (202) 728-5889 smcintosh@frb.gov	20-12-2011	11-01-2012	

Sector and debt instruments coverage

Available data are requested for the following sectors on a consolidated basis:

- General government
- o/w Central government
- o/w Budgetary central government
- Non-financial public corporations

- Financial public corporations
- Total public sector

The basic requirement for countries to participate is to supply quarterly data on SNA-based **Central Government debt**. Data on General Government, Budgetary Central Government, Non Financial Public Corporations, Financial Public Corporations, and Total Public Sector is encouraged, whenever available.

The debt instruments are those instruments that require the payment of principal and interest or both at some point(s) in the future. All liabilities are considered debt, except liabilities in the form of equity and investment fund shares, and financial derivatives and employee stock options. They comprise:

- Special Drawing Rights (SDRs);
- Currency and deposits;
- Debt securities;
- Loans;
- Insurance, pension, and standardized guarantee schemes; and
- Other accounts payable

Valuation

Data are to be reported in national currency and in nominal value.

Source

Data are compiled either by Central banks, Statistical National Institutes or Ministries of Finance.

OECD STATISTICS DIRECTORATE

FINANCIAL STATISTICS

OECD FINANCIAL DASHBOARD

In November 2011, the OECD Working Party on Financial Statistics reviewed and agreed the list of financial indicators proposed by the OECD Secretariat.

These indicators are based on data compiled according to SNA methodology and are derived from the financial account and financial balance sheet data.

Financial indicators derived from financial accounts

1. Net financial transactions of the following institutional sectors, as a percentage of Gross Domestic Product (GDP)
 - 1.1 *Total economy – S1*
 - 1.2 *Non-financial corporations – S11*
 - 1.3 *Financial corporations – S12*
 - 1.4 *General government – S13*
 - 1.5 *Central government – S1311*
2. Transactions in financial assets of Households and NPISHs – S14+S15, as a percentage of Households Gross Disposable Income (GDI)
3. Transactions in liabilities of Households and NPISHs – S14+S15, as a percentage of GDI
4. Net financial transactions of Households and NPISHs – S14+S15, as a percentage of GDI

Financial indicators derived from financial balance sheets

Total economy – S1

5. Financial net worth as a percentage of GDP
6. Debt as a percentage of GDP

Non-financial corporations – S11

7. Financial net worth as a percentage of GDP
8. Debt as a percentage of GDP
9. Short-term financial assets to short-term liabilities ratio
10. Debt to equity ratio
11. Debt to total financial assets ratio

Financial corporations – S12

12. Financial net worth as a percentage of GDP
13. Debt as a percentage of GDP

14. Short-term financial assets to short-term liabilities ratio
15. Debt to equity ratio
16. Leverage of the banking sector
17. Loans assets of the banking sector as a percentage of its currency and deposits liabilities
18. Financial intermediation ratio
19. Credit intermediation ratio

General government – S13

20. Financial net worth as a percentage of GDP
21. Debt as a percentage of GDP
22. Share of central government (S1311) liabilities in total S13 liabilities
23. Share of local government (S1313) liabilities in total S13 liabilities

Central government – S1311

24. Financial net worth as a percentage of GDP
25. Debt as a percentage of GDP

Households and NPISHs – S14+S15

26. Financial net worth as a percentage of GDI
27. Financial assets as a percentage of GDI
28. Debt as a percentage of GDI
29. Structure of financial assets portfolio as a percentage of total financial assets
30. Financial assets directly held by Households and NPISHs as a percentage of their total financial assets
31. Financial assets indirectly held by Households and NPISHs as a percentage of their total financial assets

Definition of Debt

Debt is a commonly used concept, defined as a specific subset of liabilities identified according to the types of financial instruments included or excluded. Generally, debt is defined as all liabilities that require payment or payments of interest or principal by the debtor to the creditor at a date or dates in the future.

Consequently, all debt instruments are liabilities, but some liabilities such as shares, equity and financial derivatives are not debt [System of National Accounts, 2008, par. 22.104].

According to the SNA, most debt instruments are valued at market prices. However, some countries do not apply this valuation, in particular for securities other than shares, except financial derivatives (AF33).

For financial indicators referring to debt, the concept of *debt* is the one adopted by the International Monetary Fund in the *Public Sector Debt Statistics – Guide for compilers and users (Pre-publication draft, May 2011)*, which follows the 2008 SNA definition as well.

Debt is thus obtained as the sum of the following liability categories, whenever available / applicable in the financial balance sheet of the institutional sector: currency and deposits (AF2), securities other than shares, except financial derivatives (AF33), loans (AF4), insurance technical reserves (AF6) and other accounts payable (AF7).

This definition differs from the definition of debt applied under the Maastricht Treaty for European countries. First, gross debt according to the Maastricht definition excludes not only financial derivatives (AF34) and shares and other equity (AF5) but also insurance technical reserves (AF6) and other accounts

payable (AF7). Second, debt according to Maastricht definition is valued at nominal prices and not at market prices.

Time coverage

Financial indicators are currently calculated from 1997 to 2010.

Sector coverage

Financial indicators cover all institutional sectors of the economy, including the total economy (S1). As a number of countries are not able to provide a breakdown of Households and Non-Profit Institutions Serving Households (NPISHs), financial indicators related to the households sector include NPISHs to ensure the highest level of comparability between countries.

Country coverage

All financial indicators are calculated by the OECD for all OECD countries. Few indicators are calculated for some Enhanced Engagement countries (EE5).

Source

All data have been provided by countries via standardised OECD questionnaires, except for EE5 countries for which data are currently taken from their national websites.

Main sources are annual national accounts (main aggregates), and financial accounts and financial balance sheets, as available on the OECD data warehouse OECD.Stat (at <http://stats.oecd.org/index.aspx>)

ANNEX 2

OECD DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS

OECD DATABASE ON CENTRAL GOVERNMENT DEBT

In November 1999, the OECD Working Party on Government Debt Management of the Committee on Financial Markets reviewed and agreed the collection of information on central government debt statistics and methodology.

The annual collection of data for central government debt is according to the specific requirements of the Statistical Yearbook on Central Government Debt which provide detailed breakdowns on public debt management policies and information on related primary and secondary government securities markets. The OECD Statistical Yearbook on Central Government Debt (and Public Debt Policies) is currently being revised.

Objectives

The OECD database on Central Government Debt includes comprehensive quantitative information on marketable and non-marketable central government debt instruments of OECD member countries and focuses on borrowings requirements by governments to finance their budget deficits with the aim of meeting the analytical requirements of users such as policy makers, debt management experts and market analysts. Statistics are presented according to a comprehensive standard framework to allow cross-country comparison.

Coverage

The database includes comparative statistics on outstanding amounts and gross and net issues from 1980 onwards and on the duration and average term to maturity from 1990 onwards, when available. Statistics relating to Central Government Debt refer to all OECD countries and are reported in national currencies.

The coverage of the data is limited to central government debt issuance and excludes therefore state and local government debt and social security funds.

The statistics relate to both marketable (excluding swaps) and non-marketable central government debt instruments. However, they focus mostly on the marketable instruments which are examined in greater detail.

The statistics refer to resident and non-resident holdings. To capture the internationalisation of government securities markets, cross-border transactions of central government debt instruments are included.

Key concepts

The concepts used differ from the Maastricht definition of government debt, both with respect to the institutional coverage and the method of calculation.

Central Government: The coverage of the data is limited to the central government subsector which consists of the institutional units making up the central government plus those NPIs (non-profit institutions) that are controlled and mainly financed by central government. Central government has the authority to impose taxes on all resident and non-resident units engaged in economic activities within the country. (System of National Accounts, 1993, par. 4.117-118)

Marketable instruments: They consist on Money market instruments (Treasury bills, commercial papers and other), Bonds (Fixed rate income instruments, further subdivided into short-term, medium term and long term bonds, Index-linked bonds, Variable-rate notes and other) with details on the length of maturity of Long-term bonds and Index-linked bonds. Other information is also provided: Total marketable debt held by non-residents, Total marketable debt in foreign currency, Weighted average maturity of marketable debt and Weighted average yield of marketable debt.

Non-marketable instruments: they consist on Savings bonds and other. One memorandum item regarding the non-marketable debt held by non-residents is also provided. If countries include swaps in their statistics (e.g. those relying heavily on swaps) they should include this information in the notes.

Duration: the duration of the central government debt can be calculated according to the Macaulay duration or the modified duration methods.

Term to maturity: Maturity is the period of time until the redemption or expiration of a financial instrument. For most countries, the maturity structure is a residual maturity, i.e. the remaining time until the expiration or the repayment of the instrument. For seven countries (Italy, Japan for issues, Korea, Mexico, Poland, Portugal, and Slovak Republic), it is initial: precise definitions are to be indicated in the methodological notes.

Nominal value: Transactions should be reported at their nominal value, i.e. the amount that at any moment in time the debtor owes to the creditor at that moment. If the valuation differs from nominal value, it is requested to indicate it in the methodological notes.

Description

The latest update (May 2011) shows the statistics according to a comprehensive common framework to allow cross-country comparison.

- Table 1: Outstanding amounts at the end of yearly periods of the central government debt (both marketable and non-marketable debt), by instrument;
- Table 2: Gross and net issues of marketable and non-marketable debt of the central government by instruments;
- Table 3: Duration and average term to maturity of domestic, foreign and total debt. Data refer to both resident and non-resident holdings;
- Table 4: Outstanding amounts at the end of yearly periods of marketable central government debt by type of investors (residents/non-residents).

International comparisons' tables in US dollars and in percentage of GDP are derived from reported statistics and graphics are built to facilitate trends' analysis in OECD countries.

Country notes provide information on debt issuance in each country as well as on the institutional and regulatory framework governing debt management policy and selling techniques. They describe the details of debt instruments in each country.

All OECD countries' data are available on OECD.Stat, under Finance, Central Government Debt. A new update will be performed when the review of the OECD Statistical Yearbook on central Government Debt (and Public Debt Policies) is completed.

Source

Central Government Debt data are mainly reported by Ministries of Finance, Treasuries, Debt management offices, Central Banks and other financial agencies.

Future projects – 2011-2012

Improvements and expansion of OECD Statistical Yearbook on central Government Debt (and Public Debt Policies) are under discussion within the WPDM: many users make suggestions to include statistics on the use of derivatives by DMOs, guarantees and liquidity measures, information on related primary and secondary government securities markets. The revised Table of Content of of the OECD Central Government Debt and Public Debt Policies --Statistical Yearbook is as follows:

- PART I : International Comparisons (Tables and Charts on Debt and Borrowing operations)
- PART II: Tables and Policy Notes by Country
- ANNEX I: Supplementary Information per Country
- ANNEX II: Instrument Breakdown
- ANNEX III: Overview Secondary Markets (Liquidity, Yields, etc)
- ANNEX IV: Overview Primary Markets
- ANNEX IV: Risk Management (Maturity, Sovereign Risk, Derivatives, etc)

ANNEX



**OBJECTIVES AND STRUCTURE OF THE OECD PROJECT ON
AFRICAN PUBLIC DEBT MANAGEMENT AND BOND
MARKETS**



April 2009

Public Bond Markets and Debt Management Unit

I. Objectives and structure of the project on African Public Debt Management

The OECD project on African Public Debt Management and Bond Markets targets African public debt managers and other financial officials for encouraging and supporting the introduction of (1) sound public debt management (PDM) strategies, procedures and techniques and (2) an efficient and reliable government securities market infrastructure. The leading or best practices of the OECD Working Party on Public Debt Management play a key supporting role as global standards.

The first objective of the project is to develop an OECD-led policy dialogue with, and among, African debt managers, central bankers, and other financial officials involved in public debt management and government bond markets. Secondly, through the policy dialogue, the capacity of African policy makers to prepare and execute sound debt management strategies and develop local-currency bond markets is enhanced significantly. Thirdly, African debt managers and policy makers get efficient and well-structured access to the worldwide knowledge network of debt managers. Becoming part of that network will add significant durable value in supporting sound public debt management and related market practices in Africa.

The OECD-led policy dialogue is well placed to leverage the largely technical assistance (TA) activities of other international organisations such as IMF, World Bank and African Development Bank in several ways. Firstly, the OECD is well-placed to contribute to the *strategic dimension* of public debt management and bond market development, thereby providing a unifying strategic framework to the various TA programmes. Secondly, African debt managers and policymakers are given efficient and well-structured access to the OECD-led knowledge network of debt managers (notably its Working Party on Debt Management), in particular the leading OECD practices that function de facto as global standards. Thirdly, the OECD has a comparative advantage in collecting structural statistics with a sophisticated methodology. For this project we have begun the creation of a database on African debt statistics that will give a

comprehensive and detailed view of African public debt.

The project has three principal pillars. The OECD Forums on African Public Debt Management constitute the **first pillar**. The Regional Workshops on African Debt Management and Bond Markets the **second building-block**. Both pillars seek to promote frank and open policy discussions between African debt managers, other financial officials and African market participants like banks, exchanges and rating agencies on the one hand, with their counter-parts from the OECD area on the other. The **third pillar** of the OECD project is the construction of an annual African central government debt data base and the undertaking of an annual overview based on cross-country studies on African debt management and bond markets.

II. Pillar 1: Annual OECD Forum on African Public Debt Management

The first meeting of the *Annual OECD Forum on African Public Debt Management (Pillar 1)* was held in December 2006. Consistent with its purpose of acquainting senior debt managers and other financial officials involved in public debt management and government bond markets in African countries with OECD best practices, the forum focuses on specific problems, technical issues, debt management strategies, policies and operations from the perspective of African policymakers.

The agenda for each Forum meeting is prepared in consultation with a Steering Committee of African Debt Managers.

In addition, Forum meetings, organised under the aegis of the OECD Working Party on Debt Management, function as an efficient clearing house to share and exchange information on the activities by the various international and regional players involved in different aspects of African debt management, including the African Development Bank, World Bank, IMF, NEPAD, MEFMI, WAIFEM and BCEAO/BEAC.

III. Pillar 2: Annual OECD Regional Workshop on African Debt Management and Bond Markets

The *Annual OECD Regional Workshop on African Debt Management and Bond Markets (Pillar 2)* was launched in 2007. The initiative to hold each year a workshop focused on market-infrastructure issues was suggested by the African debt managers themselves. The agenda for each workshop meeting is prepared in consultation with a Steering Committee of African Debt Managers. The National Treasury of South Africa and the Bond Exchange of South Africa (BESA) act as local organisers.

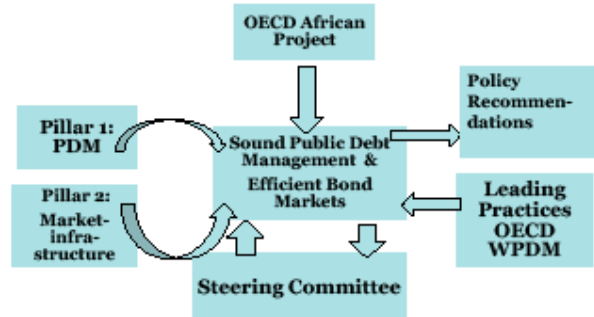
The workshop complements the annual OECD Forum on African Public Debt Management by focusing on the operational and technical aspects of (the development of) the infrastructure of African local currency bond markets. Infrastructure is interpreted in a very broad sense and includes the regulatory structure, clearing and settlement systems, investor base, gatekeepers of the public trust (supervisors, rating agencies, exchanges, accountants, brokers, etc).

Both pillars I and II seek to improve the capacity of African policy makers to execute sound debt management strategies and operations, as well as the development of an efficient and reliable local-currency bond markets (see *Chart*). Both Forum meetings and regional workshops are therefore supporting the development of sound market practices in the context of public debt and cash management, leading to stronger securities markets that in turn would help reducing the cost of managing public debt, strengthening other parts of the financial sector (such as micro-credit and SME financing) while also contributing to financial stability.

An important general objective is to identify concrete policy recommendations (see *Chart*). Also OECD governments, investors and financial intermediaries stand to gain from African progress in implementing these recommendations.



Logical Structure Pillars 1 and 2



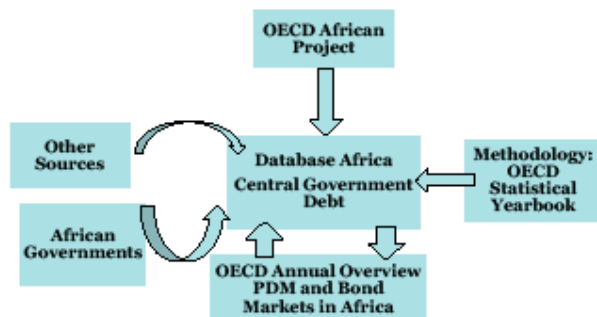
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IV. Pillar 3: Data base African central government debt and annual overview PDM and bond market developments

The OECD has also started the construction of *a new data base of African central government debt* (Pillar 3). The database project is based on the existing OECD methodology of the Statistical Yearbook on Central Government Debt. In parallel, the OECD has begun *a cross-country study* based on a survey of African debt management practices and stage of development of local debt markets. It is envisaged that this cross-country study will serve as a pilot for the annual overview of African public debt management (PDM) and bond market developments. Both the data base and overview mutually re-enforce each other (see *Chart logical structure of pillar 3*).



Logical Structure Pillar 3



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It is further envisaged to set-up a network of academic experts who focus their research on African public debt management and bond markets. This network may support the overview publication.

V. Policy impact of the OECD project

Thus far, a wide range of African countries (in both sub-Saharan Africa and North Africa) have benefited from the project. African policy makers have gained a greater understanding of sound public debt management strategies, their implementation, and the development of robust local-currency government bond markets. These activities take on greater importance as many countries take advantage of debt reduction initiatives and seek to avoid falling back into positions of unsustainable debt.

The ongoing credit crisis underlines the importance of sound debt public management and stronger local-currency government bond markets. The OECD is well-placed to make major contributions to the strategic dimension of public debt management and bond market development and in assessing the implication of the crisis for PDM strategies and operations. The

project is therefore essential and even timelier than before. Developing public debt management and government bond markets is both a highly technical activity and also a critical area of financial and macroeconomic policy. In light of these arguments and considerations, it is recognised more urgently than before, that better debt public management and stronger local-currency government bond markets help to reduce the cost and risk of public debt and avoid a build-up of new unsustainable debt burdens in the post-debt relief stage. They are essential ingredients for a more stable and efficient financial system and a more prosperous economy. In addition, debt managers from emerging market countries increasingly face challenges similar to those of their counterparts from advanced markets due to pressures from global finance and the related need to implement OECD best practices in this area.

Emerging markets are an increasingly important asset class for investors from the OECD area. As local-currency government bond markets in Africa gain strength in terms of liquidity, maturity structure, transparency, operational efficiency, and regulatory safeguards, they become more attractive as a destination for long-term investment by a wider range of categories of investors. African governments stand to benefit from this development, as it should lead to broader and more reliable sources of market-based funding for the public investment that is needed to grow their economies, reduce poverty, and make progress in reaching the *Millennium Development Goals*.

VI. High political profile

During the last couple of years, G8 and IMF communiqués have emphasised the crucial importance of sound public debt management and robust bond markets. For example, the G8 summit declaration of 8 June 2007 called for initiatives aimed at “providing assistance to enhance capital markets in Africa, among other things, local-currency debt market development,” with the OECD identified as having a prominent role in this effort. In implementing its *action plan* of October 2007 for developing bond markets in emerging market economies, the G8 specifically noted that “*the OECD Working Party on Debt Management organises annual meetings tailor-made for emerging market economies and low-income countries and will hold a second forum on African debt management later this year.*”

Because of the success of OECD's Africa project sponsored by the Icelandic government, the OECD project manager has been invited as an advisor to the *World Bank's Debt Management Facility (DMF) for Low-Income Countries (LICs)*. In this way, new opportunities are created to raise the profile of OECD's Africa project.

Also the African Development Bank (AfDB) has expressed a strong interest in finding ways how we can best work together in the context of OECD's project on *African Public Debt Management and Government Bond Markets*. Consultations concerning possibilities for structuring future co-operation are ongoing.

VII. Purpose of the Steering Committee of the OECD project on African Public Debt Management and Bond Markets

The main purpose of the Steering Committee (SC) is to assist the organisers in planning and executing activities related to the OECD project. In doing so, the SC provides feed-back on, and makes suggestions for, agendas of events such as the annual OECD Global Forum on Public Debt Management and the OECD Regional Workshop on African Public Debt Management and Bond Markets. In this way, the OECD events are directly shaped by the African debt managers and other financial policy makers themselves. See Annex for the current composition of the SC.

AFRICAN CENTRAL GOVERNMENT DEBT STATISTICAL YEARBOOK

Objectives

The Statistical Yearbook on African Central Government Debt provides comprehensive and consistent information on African central government debt instruments and debt stocks. In this way, the Yearbook constitutes an analytical tool for studying in detail marketable and non-marketable debt instruments in African markets.

Coverage

The database includes pan-African comparative statistics as well as information about individual African countries from 2003 onwards. Detailed quantitative information on central government debt instruments is provided for fifteen countries to meet the requirements of debt managers, other financial policy makers, and market analysts.

Description

Individual country data are presented in a comprehensive standard framework to facilitate cross-country comparison: 1) outstanding amounts of marketable and non-marketable debt, 2) accumulations and decumulations of marketable and non-marketable debt of central governments, 3) term to maturity and refixing of marketable and non-marketable debt, 4) ownership of local currency marketable debt, and 5) interest rates (YTM in secondary markets).

Data are provided in national currency for the relevant fiscal year. Statistics refer to both resident and non-resident holdings and are presented within a standard framework to facilitate cross-country analysis. Country policy notes provide background information on debt issuance as well as on the institutional and regulatory framework governing debt management policy.

Source

African governments based on OECD Survey. For further information on this data base:
http://www.oecd.org/document/57/0,3746,en_2649_27994977_46251577_1_1_1_1,00.html

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