



Meeting of the Task Force on Finance Statistics

UNCTAD Headquarters, Geneva, Switzerland
March 12–13, 2015

Minutes

(Final)

Prepared by the IMF



A. Introduction

The 2015 Meeting of the Inter-Agency Task Force on Finance Statistics (TFFS) was hosted by the United Nations Conference on Trade and Development (UNCTAD) at its headquarters in Geneva, Switzerland (March 12-13, 2015). These minutes include the action points agreed during the meeting and the forward work program of the TFFS.

Opening remarks were provided by Mr. Steve Mc Feely, Head of Development Statistics and Information Branch, Division on Globalization and Development Strategies, UNCTAD, and Mr. Robert Heath, Deputy Director of Statistics Department (STA), International Monetary Fund (IMF). Mr. Heath also chaired the meeting. He underlined the challenging agenda prepared for the meeting and noted the importance of reaching agreements in the areas such as Quarterly External Debt Statistics (QEDS) and Public Sector Debt (PSD) statistics databases, contingent liabilities and net debt data collection, and compilation and dissemination practices on the valuation of debt securities. This year agenda also included an item related to the future role of TFFS. All TFFS member agencies were represented, except the Paris Club Secretariat. The list of participants and the final agenda are attached to these minutes.

B. Availability of Debt Data

a. QEDS—Report on Data Conversion to 2013 *EDS Guide* Basis, New Database Launch, Metadata Questionnaire, and Future Steps for Increasing Participation

Issue raised: The World Bank presented to TFFS member agencies: (1) work done by World Bank/IMF on the launch of the new QEDS database, including data conversion; (2) country reporting status on a 2013 *EDS Guide/BPM6* basis; (3) reporting issues on the newly QEDS metadata questionnaire; and (4) future plans regarding QEDS database. The TFFS congratulated the World Bank on its excellent work on the conversion of the QEDS database and noted the cooperative spirit among TFFS member agencies in supporting the World Bank conversion work.

The agreements were:

- The TFFS member agencies agreed with the future plans set out by the World Bank and emphasized the importance of reporting remaining maturity and direct investment: intercompany lending. The future plans include updating the metadata, improving the consistency of external debt statistics (EDS), promoting increased participation in QEDS database, and timeliness of reporting particularly by QEDS/GDDS reporters.

- To improve data coverage, the TFFS member agencies were informed that ComSec and UNCTAD are considering the inclusion of the new data templates and metadata questionnaire in their debt reporting software. Also, the General Data Dissemination System (GDDS) data categories will be enhanced with the view to strengthen the focus on data dissemination. These enhancements are subject to the IMF Executive Board approval. These developments should help promote data coverage.
- TFFS member agencies agreed to promote the data template in their training activities.
- World Bank QEDS and PSD databases contact list will be shared among all TFFS member agencies.
- All agencies agreed to promote Other Financial Corporations (OFC) data to be reported in the revised QEDS template. This will be done in the broader context of the work on OFCs being undertaken by the Financial Stability Board (FSB) (shadow banking) and by the other agencies with regard to the international investment position (IIP) and National Accounts data, and the G20 Data Gaps Initiative (DGI) work.
- SDR data not reported will be sourced from the IMF database in consultation with the reporting economies.
- The TFFS member agencies agreed to set up an EDS Working Group in line with the Public Sector Debt Statistics (PSDS) Working Group. The EDS Working Group will initiate work in the coming months with the first topic a discussion on metadata questionnaire.

b. QPSD Database—Progress Since Previous TFFS meeting and Remaining Objectives

Issue raised: During the 2014 TFFS meeting, the use of a *D1-D4 approach* to present PSD statistics was discussed. This discussion continued during the summer within the PSDS Working Group. Following the discussions, the World Bank and the OECD have been working towards the implementation of D1, D2, D3, and D4 indicators into the quarterly PSD (QPSD) statistics database to present differences in instrument and institutional sector coverage in a transparent way. The TFFS members are asked to agree to the further implementation.

The agreements were:

- TFFS member agencies agreed to the presentation of the PSD statistics database *D1-D4 approach (matrix approach)* in the QPSD statistics database subject to clear

metadata, covering inter alia, valuation, basis of recording (cash and accrual), institutional coverage, and consolidation.

- The ECB expressed, however, some concerns that disseminating different totals for the concept of PSD rather than a unique reference total for the countries contributing to the PSD statistics database may create communication pitfalls.
- TFFS member agencies agreed to provide guidance on the *matrix approach* to users.
- TFFS member agencies agreed to include national/regional measures of debt in the QPSD statistics.
- One TFFS member agency raised the issue of merging general government with central bank. TFFS member agencies considered that if this conceptual issue is to be discussed, it should be in a broader context such as the national accounts (SNA) research agenda.
- TFFS member agencies agreed to set up an information repository. The repository is to support the coordination activities by TFFS member agencies using as far as possible information already available. The repository modalities are to be discussed in the PSDS Working Group. This repository could also include IMF's Regional Training Centers (RTACs) debt related activities.

c. JEDH Enhancements

Issue raised: Enhancements to Joint External Debt Hub (JEDH) creditor/market table and comparator table and update of the JEDH Service Level Agreement (SLA). The World Bank presented the revised creditor/market table.

The agreements were:

- TFFS member agencies welcomed the implementation of changes recommended during the 2014 TFFS meeting to the creditor/market table.
- The new EDS Working Group will discuss the comparator table.
- TFFS secretariat informed that the four agencies (BIS, IMF, OECD, and World Bank) contributing to the JEDH will update and re-sign the JEDH SLA within the next two months.

d. Valuation of Debt Securities

Issue raised: The process of calculating nominal value is not necessarily a feature in the debt recording systems and it is not currently available in both UNCTAD DMFAS system and COMSEC CS-DRMS system. Debt managers use market and face values of debt securities.

The agreements were:

- COMSEC and UNCTAD are assessing ways to include measures of nominal value for positions of debt securities in their reporting software based on the debt guides and in line with IPSAS 29 (financial instruments; recognition and measurement).
- IMF will confirm the consistency of IPSAS 29 with the definition of nominal value recommended in the debt guides.
- TFFS member agencies agreed to raise awareness of nominal value to avoid confusion between nominal and face values.

Issue raised: The 2013 *EDS Guide* recommends that debt securities, for the purpose of external debt reporting, be valued at market value and nominal value, as well. Notwithstanding, the 2013 *EDS Guide* does not specify which valuation should be presented in the main part of the table and which one in the memorandum items. For comparability purposes in QEDS, a proposal was provided to predefine one of the two values for the main part of Table 1.

The agreement were:

- To improve comparability of QEDS, TFFS member agencies agreed to separate those countries reporting nominal value from those countries reporting market value. Economies with both market and nominal values but with nominal value reported in the main part of Table 1, will be contacted and asked whether market value data could be moved to the main part of Table 1.
- TFFS member agencies agree to continue promoting both valuations in training, technical assistance, and other related debt activities.

e. Availability of Net debt

Issue raised: Public sector net debt can be regarded as an important complementary indicator to gross public sector debt.

The agreements were:

- TFFS member agencies welcomed the paper on the public sector net debt. From the discussion, it became evident that there are examples of TFFS member agencies (Eurostat and OECD) compiling net debt measures.
- For the next TFFS meeting, the PSDS Working Group will report on the availability of net debt measures and assess the value added of including such measures in the QPSD statistics.

f. Net External Debt Position Data

Issue raised: Net external debt position data provide a wider scope of analysis and enhance their use to assess potential sector, maturity, and instrument mismatches in line with the balance sheet approach.

The agreements were:

- Considering the growing interest for policy analysis, TFFS member agencies agreed to support countries' efforts to further improve the availability of net external debt position data. A step-by-step approach was agreed, focusing at this stage on economies reporting to the SDDS/QEDS database. The TFFS considered that at this stage for GDDS countries, the priority was to improve reporting of gross external debt data.
- The EDS Working Group should work to improve country coverage of net debt for SDDS subscribers drawing on the present availability of data in international agencies. It was agreed to consider the inclusion of a memorandum item on equity securities in portfolio assets in the QEDS net external debt table.

g. Publicity of Debt Statistics

Issue raised: To endorse the preparation of a debt statistics flyer. The debt flyer intends to address a need to explain EDS and PSD statistics to country compilers. It can serve as a way to encourage countries to report EDS and PSD statistics, as well as explain the availability and usefulness of the data. A mock-up of the flyer was shared with the TFFS member agencies.

The agreements were:

- TFFS member agencies welcomed the draft flyer on debt statistics prepared by the Secretariat and suggested adding references to elements of data quality such as the IMF Data Quality Assessment Frameworks (DQAFs). A new version of the flyer

incorporating comments received will be circulated among TFFS member agencies for review.

- The debt statistics flyer should also include contact information for each dataset, a generic release calendar, and web-links to relevant datasets.
- Specific topics could be presented in the TFFS website in PDF format for printing.
- TFFS member agencies will look for opportunities to publish press releases to promote new developments in debt statistics.

h. Debt Work of International Agencies

Issue raised: Update of the Work of TFFS member agencies in debt statistics.

The agreement was:

- Work of TFFS member agencies in the area of debt statistics is to be updated prior to the next TFFS meeting.

i. General Government Contingent Liabilities Data Collection

Issue raised: Contingent liability data are either collected/disseminated by national authorities or by international agencies and they are collected on a wide range of contingent liabilities types.

The agreements were:

- The meeting heard that there is growing interest among countries in compiling contingent liabilities for monitoring fiscal risks. This is reflected in the publication of data in Europe and requests to ComSec and UNCTAD to include contingent liabilities in their debt reporting software programs.
- The TFFS considered that it has role in promoting dissemination of these data, and based on the practical experience in Europe, TFFS member agencies supported a gradual approach for the dissemination of contingent liabilities data with an initial focus on government sector guarantees at face value/nominal value. The dissemination of contingent liabilities data should be accompanied with metadata. A collection of annual data appears to be the most practical approach.
- The PSDS Working Group was asked to take the work forward and get back on this issue for the next TFFS meeting.

C. Other Issues Related to Debt Data

j. Future Role of TFFS

Issue raised: With the completion of the two *Guides* and the establishment of debt databases, it is a good time to take stock and see where the TFFS is heading. From the papers for this meeting, TFFS work appears to be becoming geared towards more depth and coverage, and continued enhancements of the debt databases. The TFFS reports to the United Nations Statistical Commission (UNSC) every three years and annually to BOPCOM. The most recent report was provided to the March 2015 UNSC.

The agreements were:

- TFFS member agencies agreed to maintain the annual meeting to discuss debt statistical methodological, data availability, and other related debt issues. The meetings provide a setting for coordination and cooperation among TFFS member agencies on debt statistics issues.
- TFFS member agencies agreed on the importance of implementing compilation and dissemination standards for debt statistics. TFFS member agencies agreed to look to reduce duplication of reporting by countries to international organization.
- The availability of debt statistics needs to be given publicity. The World Bank informed TFFS member that the debt platform is the third most visited on their website.
- For the future, TFFS members agreed that there are several new issues including contingent liabilities and net debt. Also members suggested that the TFFS could address the issue of private sector debt drawing on *BPM6 Compilation Guide*.
- TFFS member agencies agreed to increase the emphasis on data quality work. In this context, the IMF mentioned the recently updated EDS Data Quality Assessment Framework (DQAF) as a tool to assess data quality and invited ComSec and UNCTAD to use the DQAF to assess particular dimensions of data quality. These institutions will report on this initiative for the next TFFS meeting.

k. World Bank Data Structure Definition (DSD)—Progress Report

Issue raised: DSD for debt statistics.

The agreements were:

- TFFS member agencies recommended World Bank to make concrete proposals to the technical group of the Ownership Committee to discuss this issue. OECD will help the World Bank on the approach to the technical group.
- World Bank will report to the TFFS member agencies on this issue during the next meeting.

D. Forward Work Program of Task Force

The TFFS Chair presented a tentative work program for the next 12 months and requested TFFS member agencies to suggest any additional issues when reviewing these minutes. The work program includes:

- To report on implementation of the future plans for QEDS database and share QEDS and PSD statistics contact lists with TFFS member agencies (World Bank).
- To set a new EDS Working Group to initially discuss the metadata questionnaire, country participation in QEDS, and JEDH comparator table (World Bank/IMF).
- To implement the *matrix approach* to presentations of PSD statistics in the QPSD, including metadata and adding the national debt measure line (World Bank/IMF/OECD).
- To set up an information repository (IMF/World Bank).
- To update and re-sign the JEDH SLA (BIS/IMF/OECD/World Bank).
- To report progress in the inclusion of measures of nominal value in their reporting software based on the debt guides and in line with IPSAS 29 (ComSec and UNCTAD).
- To confirm consistency of IPSAS 29 with the definition of nominal value recommended in the debt guides (IMF).
- To implement the decision on separating countries reporting nominal value from those countries reporting market value in the QEDS Table 1 (World Bank).

- To report on the availability of net debt measures and assess the value added of including such measures in the QPSD (PSDS Working Group).
- To report on the work done to improve country coverage of net debt for SDDS subscribers (EDS Working Group).
- To finalize the debt statistics flyer (IMF).
- To update work in the area of debt statistics for publication in the TFFS website (All TFFS member agencies).
- To report on the implementation of the gradual approach for dissemination of contingent liability data with initial focus on government sector guarantees at face value/nominal value (PSDS Working Group).
- To report on the work to increase the emphasis on data quality work (ComSec and UNCTAD).
- To report on the progress of DSD for debt statistics (World Bank).

E. Next Meeting

The next meeting will be held on March 2016 at the IMF HQ in Washington DC, USA. It will be a two-day meeting.

Meeting of the Task Force on Finance Statistics (TFFS)¹ – Agenda

United Nations Conference on Trade and Development (UNCTAD) Headquarters,

Geneva, Switzerland

March 12–13, 2015

Time ²	Items	Presenter	TFFS Paper
	Thursday, March 12		
9:00 a.m.	Opening Remarks by UNCTAD Welcome by the Chair	UNCTAD IMF	
9:30 a.m.	Availability of Debt Data		
	(1) QEDS—Report on the Data Conversion to the 2013 <i>EDS Guide</i> Basis, New Database Launch, Metadata Questionnaire, and Future Steps for Increasing Participation	WB/ IMF	15/10
	(2) PSDS—Report on the New Approach of Presenting Public Sector Debt Statistics in the IMF/OECD/World Bank database and on Actions to improve PSDS Reporting	IMF/ WB	15/11
	(3) JEDH—Report on the Proposed Enhancements and the JEDH SLA Triennial Review	WB/ IMF	15/12
1:00 p.m.	Lunch ^{3,4}		
2:15 p.m.	Availability of Debt Data (Continued)		
	(4) General Government Contingent Liabilities Data Collection—Report on a Gradual Approach for Collection (with contributions of ComSec, Eurostat, and UNCTAD)	IMF ComSec Eurostat UNCTAD	15/13 15/13a 15/13b-c 15/13d
	(5) Net Debt	IMF/OECD IMF	15/14a 15/14b
	(6) Valuation of Debt Securities in Debt Management Systems—Sharing Experiences	ECB WB/IMF UNCTAD	15/15a 15/15b 15/15c
	(7) Publicity of Debt Statistics	IMF	15/16
6:00 p.m.	End of the day		

¹ TFFS member agencies are BIS, ~~ComSec~~, ECB, ~~Eurostat~~, IMF, OECD, Paris Club Secretariat, UNCTAD, and World Bank.

² Meeting room is at UNCTAD Room IV, C-Building, Door C6 3rd floor, ~~Palais~~ des Nations. Coffee breaks: 10:45 a.m. and 4:00 p.m. are at the same room.

³ The group photo will be taken at 12:50 p.m., right before lunch.

⁴ Lunch (Romania dining room).

Time	Items	Presenter	TFFS Paper
Friday, March 13			
9:00 a.m.	(8) Occasional Papers on Activities of TFFS Member Agencies	TFFS agencies	15/01-09
	(9) Future Role of TFFS	Open Discussion	15/19
11:15 a.m.	Other Issues Related to Debt Data		
	(10) DSD—Developments Since the Last Meeting	WB	15/17
	(11) G20 Data Gaps Initiative	IMF	15/18
12:00 p.m.	Wrap-up, Forward work Program, and Other Business		
	(12) Wrap-up on Key Agreements		
	(13) Forward Work Program of the Task Force and Review of 2014 Meeting's Action Points		
	(14) Other Business		
	Closing of 2015 TFFS Meeting		
1:30 p.m.	End of the day		

2015 TFSS Meeting: List of Participants

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