



GETTING RESULTS IN MACROECONOMIC STATISTICS

Featured Cases from 25 Years of
IMF Capacity Development in Statistics

I N T E R N A T I O N A L M O N E T A R Y F U N D



A MESSAGE FROM THE DIRECTOR



On the 25th anniversary of the IMF Statistics Department (STA), it is with great pleasure that I present to you a selection of our successful capacity development (CD) activities. Over a quarter of a century, STA has supported countries from all parts of the world in their efforts to produce and publish better macroeconomic and financial statistics and bring them in line with best international standards. The cases highlighted in this brochure are meant to offer a representative picture of our diverse engagements with countries across all statistical topics and geographical regions. They also aim to illustrate how the CD has

in many instances had a substantial impact on the countries—in terms of more and better data for policy use and to support transparency—which also has been beneficial for the IMF’s policy dialogue with those countries. Many of the results presented in this brochure have been accomplished with the generous support of our external funding partners.

Reliable, timely and internationally comparable macroeconomic and financial statistics are essential for policymakers and international institutions, as well as for private users, such as rating agencies, markets and the public. They are the basis for economic policy formulation within countries, provide transparency on government actions, and guide the private sector and other stakeholders in their decision-making, such as on foreign investments and financing decisions.

CD in the form of technical assistance and training is at the core of STA’s efforts to assist countries around the world to improve statistics and data collection. Having increased more than five-fold between 1991 and 2016, CD constitutes more than half of our spending today. STA is now the third largest provider

of technical assistance across departments within the IMF, and ranks second in training only after the IMF Institute for Capacity Development. This growth was made possible by a strong increase in external funding: more than half of our CD activities is financed through the nine multi-partner Regional Technical Assistance Centers, and more than a quarter is funded by multi-partner trust funds and bilateral partners – a generous group led by Japan, the United Kingdom, Switzerland, Belgium, and the Netherlands. STA was also the first IMF department to receive funding from a private foundation, the Bill and Melinda Gates Foundation.

Our work in statistical CD serves several objectives. At the most fundamental level, some countries require our help to build their

statistical infrastructure or to produce a basic suite of macroeconomic statistics. For example, this can be the case after a prolonged conflict, an economic transition, or for new IMF member countries. In these cases, STA provides guidance on statistical legislation or on institutional organization (see case 2 on Bosnia and Herzegovina or case 6 on Cambodia), or supports the compilation of the first set of statistics across all macroeconomic areas (see case 24 on Palau). Like other IMF departments, STA places particular emphasis on providing CD to fragile states. In these countries, our CD essentially helps to get the statistical basics right so that policy makers can rely on some core macroeconomic and financial metrics and steer the fragile economy into quieter waters.

In contrast to CD activities that often address multiple statistical sectors at once, a large part of STA CD has aimed to improve macroeconomic statistics on a specific topic. Examples range from rebasing GDP estimates in Zambia (case 13) to developing price indices in Lebanon (case 25); from developing monetary statistics after Ukraine's economic transition (case 1) to improving external sector statistics in three Central Asian countries (case 26); and from implementing the international standards for government finance statistics in Indonesia (case 18) to improving the reliability of these statistics during Greece's debt crisis (case 14).

Another dimension in STA's CD is related to data dissemination. After the IMF introduced the Data Standards Initiatives in 1996-97, STA has spent significant resources to help countries meet these standards (see case 23 on the introduction of the enhanced General Data Dissemination System, e-GDDS, in Africa or case 7 on China's subscription to Special Data Dissemination Standard, SDDS). Today, 184 countries—almost all IMF members—participate in one of the IMF's Data Standards Initiatives, making their current compilation and dissemination practices more transparent and committing to future statistical improvements.

While STA CD has increasingly focused on enabling countries to compile and disseminate data to use them for policy making and analysis, STA also has traditionally geared its CD towards providing advice to help countries bring their macroeconomic statistics in line with international standards—many of which STA has helped develop given its role as an international standard setter. In this regard, countries have often found a variety of obstacles, (such as capacity constraints, limited budget and human resources, and institutional rigidities) to fully adjust their methodologies to these standards. Several cases shown in this brochure illustrate that multi-year efforts pay off, and benefit countries and stakeholders.

While an increasing number of CD activities have been organized in regional projects to support peer learning and reap synergies, a subset of these projects specifically has sought to advance regional harmonization and support closer economic integration. Notable examples of such activities include the harmonization of government finance statistics in preparation for monetary union in the East African Community (case 27) or the harmonization of monetary statistics to support closer regional integration in Central America (case 8).

More recently, we have also expanded our work to more advanced statistical domains. For example, STA CD has helped 48 developing countries produce Financial Soundness Indicators, which were introduced by the IMF to help strengthen the international financial architecture and facilitate macrofinancial surveillance (case 30). STA staff also developed and implemented the Data Template on Foreign Reserves and International Currency Liquidity (case 4), a major IMF initiative to strengthen the stability of global exchange rate regimes, and the Financial Access Survey (case 9), a recent initiative to collect information, and promote, financial inclusion.

The growth in statistical CD activities over 25 years reflects our mission to respond to the

needs of policymakers and other users of statistics. Our vision emphasizes that it is not sufficient to produce and compile macroeconomic and financial statistics in line with international standards, but that it is also essential to disseminate and use these data for better evidence-based policy making (“data for decisions”), enhanced transparency, and better policy analysis and advice, thereby bolstering IMF surveillance.

This brochure contains 30 selected cases from 25 years of our CD work. It attempts to provide an overview of STA’s efforts over time, and to highlight some of the results they generated for, above all, the IMF’s member countries, but also to other users within and outside the IMF. By and large, the cases are presented in chronological order, illustrating how STA’s work has evolved from building statistical infrastructure in the post-Soviet transition economies of the 1990s to promoting the dissemination of new financial indicators today.

In the future, building on the successes and lessons learned to date, the IMF will use its recently developed Results-Based Management (RBM) framework to monitor and evaluate its results in capacity development even more closely, thereby providing a stronger accountability framework for use by IMF management, member countries, external funding partners, and other stakeholders. By reviewing the results of previous CD activities,

the cases included in this brochure also aim to guide our efforts going forward and set some baselines against which future achievements can be measured and evaluated.

I would like to conclude by thanking Anna Orthofer (IMF Summer Intern) for having put these cases together, and Ethan Weisman and Johannes Mueller for guiding her work. In addition, it is with great pride that I express my appreciation for the work of the staff of this department, as well as our experts in the field for having supported, over the last 2½ decades, the IMF’s member countries to improve the compilation and dissemination of their macroeconomic and financial statistics. To quote Christine Lagarde, the IMF’s Managing Director at the opening of the 2014 IMF Statistical Forum: “Data has gained prominence as a vital building block for making sound policy. Without reliable and timely economic data, we would be wandering in the dark, making decisions on the basis of anecdotes, gut feelings, or worse.”



Louis Marc Ducharme
Director, IMF Statistics Department

Selected Abbreviations

APD	Asia and Pacific Department
BPM6	Balance of Payments and International Investment Position Manual, sixth edition
BSS	Bank of South Sudan
CAMC	Central American Monetary Council
CAPTAC-DR	Central America, Panama, Dominican Republic Technical Assistance Center
CD	Capacity Development
COMESA	Common Market for Eastern and Southern Africa
CPI	Consumer Price Index
DFID	Development Department for International Development
EAC	East African Community
EDDI	The Enhanced Data Dissemination Initiative
e-GDDS	Enhanced General Data Dissemination System
EITI	Extractive Industries Transparency Initiative
ESS	External Sector Statistics
EU	European Union
FAD	Fiscal Affairs Department
FAS	Financial Access Survey
FSIs	Financial Soundness Indicators
GDDS	General Data Dissemination System
GFS	Government Finance Statistics
GFSM	Government Finance Statistics Manual
GTZ	German Development Corporation
IFS	International Financial Statistics
IT	Information Technology
MFS	Monetary and Financial Statistics
MIEA	Monthly Index of Economic Activity
MNRW-TTF	Managing Natural Resource Wealth Topical Trust Fund
MSA	Multisector Statistics Advisor
NBU	National Bank of Ukraine
NSDP	National Summary Data Page
ODCs	Other Depository Corporations
ODP	Open Data Platform
PFTAC	Regional Technical Assistance Center for the Pacific
PPI	Producer Price Index
SADC	South African Development Community
SDDS	Special Data Dissemination Standard
SDGs	Sustainable Development Goals
SDMX	Statistical Data and Metadata Exchange
SDR	Special Drawing Rights
SECO	Swiss State Secretariat for Economic Affairs
SNA	System of National Accounts
SRFs	Standardized Report Forms
TA	Technical Assistance
UN	United Nations
WAEMU	West African Economic and Monetary Union

Chart 1: STA Capacity Development, 1990-2015

Capacity Development by Technical Assistance and Training

Full-time Equivalent*

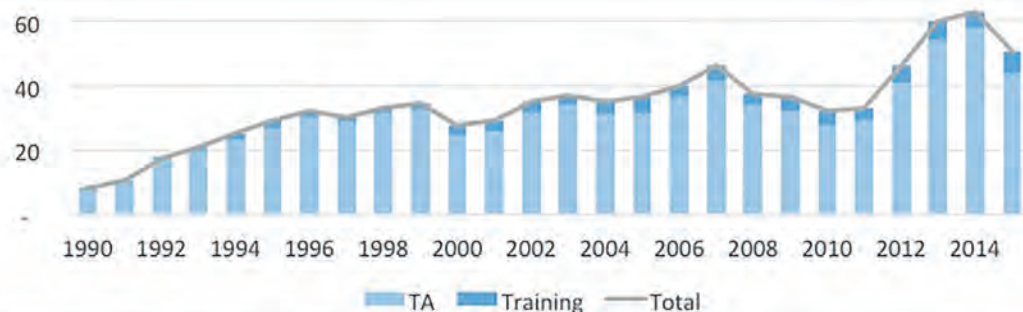
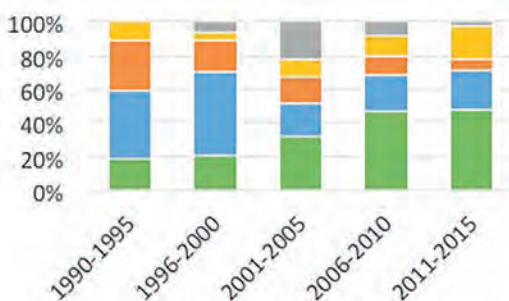
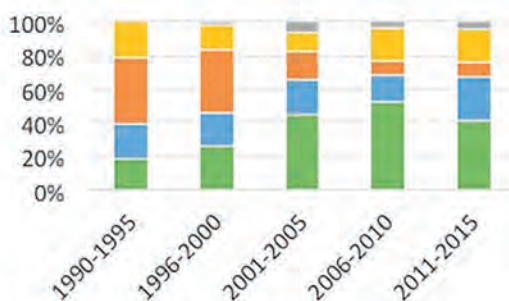


Chart 2: Capacity Development by Region Averages

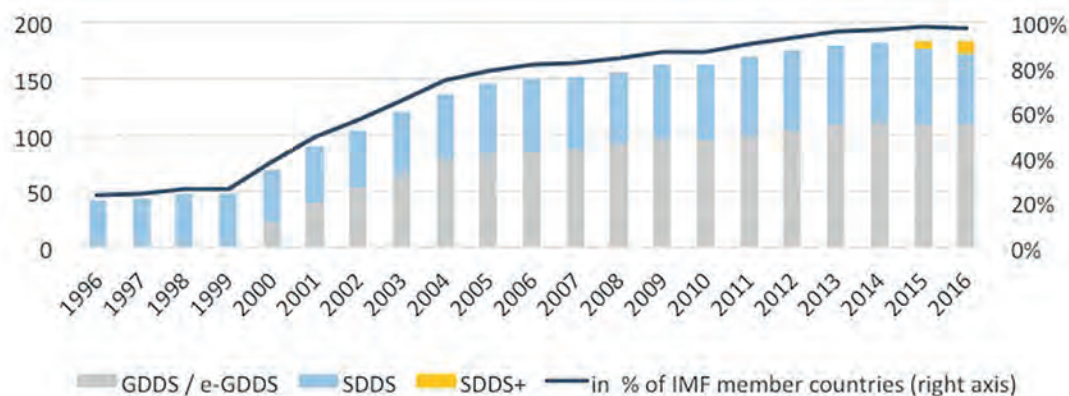
Chart 3: Capacity Development by Topic Averages



- Africa (AFR)
- Asia & Pacific (APD)
- Europe (EUR)
- Middle East & Central Asia (MCD)
- Western Hemisphere (WHD)
- Real sector
- External sector
- Financial institutions
- Government finance
- Data dissemination

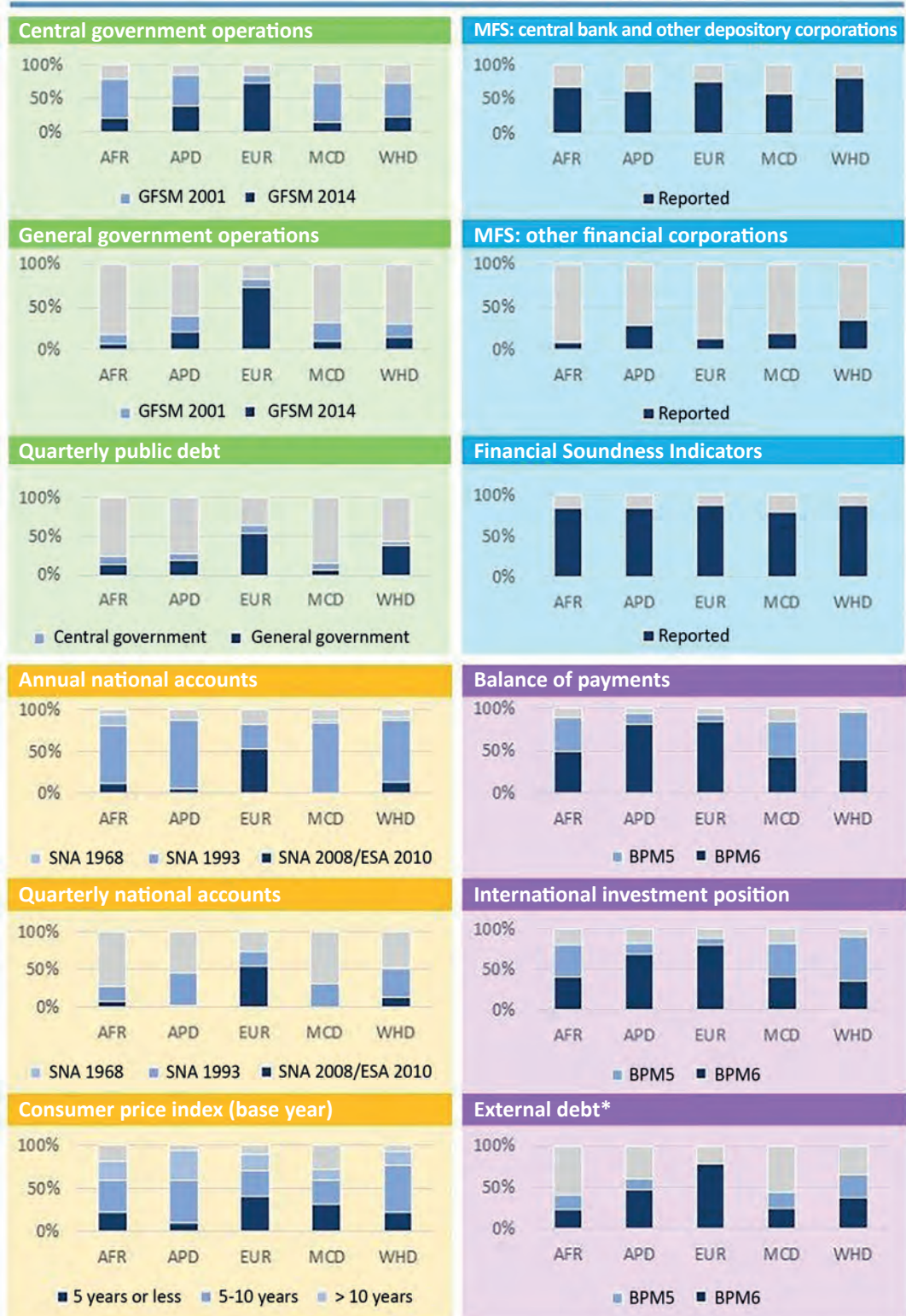
Chart 4: Data Dissemination Outcomes

Number of subscribers/participants



* FTEs differ from Statistics at a Glance reports (includes non-STA staff and experts on STA missions/trainings; may include overlaps due to in-country or international travel during long term residency; in calendar years instead of fiscal years)

Chart 5: Adoption of Statistical Methodologies, 2015. Share of Countries Reporting to STA




Grey shading indicates share of countries not reporting to STA (*or to the World Bank in the case of external debt)

Chart 6: Selected STA Capacity Development Success Stories by Region and Topic



- Funded by bilateral funding partners: 1: Japan, 2: United Kingdom (DFID), 3: Switzerland (SECO), 4: Belgium, 5: The Netherlands
- Funded by multi-partner trust funds: 6: South Sudan Trust Fund
- Funded by private funding partners: 7: Bill & Melinda Gates Foundation
- Funded by IMF multi-partner Regional Technical Assistance Centers (RTAC): 8: East AFRITAC, 9: South AFRITAC, 10: CAPTAC-DR
- Funded by the IMF

Case 1	Adopting International Standards in Monetary Statistics in Ukraine
	<p><i>Ukraine</i></p> <p><i>Multiple single-topic missions</i></p> <p><i>Financial Institutions</i></p> <p><i>1993-2002</i></p> <p><i>Funded by the International Monetary Fund (IMF)</i></p>
Context and approach	<p>After the dissolution of the Soviet Union in 1991, Ukraine established the National Bank of Ukraine (NBU) to conduct monetary policy in the new market economy. Monetary and financial statistics are central to monetary policy, but the IMF's Statistics Department (STA) multisector missions in 1991 and 1992 identified major shortcomings in the compilation of these data. Over the course of ten years, STA supported the NBU to compile monetary statistics in line with international standards.</p>
Outcomes	<p>By 1996, Ukraine had substantially reduced the gap between its own methodology and that of the IMF, and had its country page published in the IMF's <i>International Financial Statistics</i> (IFS) (data.imf.org). By 2002, the coverage, periodicity and timeliness of Ukraine's monetary and financial statistics were largely in line with the requirements under the Special Data Dissemination Standard (SDDS).</p>
Evaluation	<p>The capacity development activities provided in the first decade after Ukraine's independence were relevant, effective, and sustainable, helping the NBU bring its monetary statistics in line with international standards. The new monetary statistics form the basis of the NBU's monetary policy decisions, and are used for the official dissemination of monetary statistics to the public. Achieving this was challenging initially, since implementing reforms required a cultural change at the NBU in an environment of rapid economic transition. Yet, progress accelerated in the late 1990s, allowing Ukraine to become the first country in the Commonwealth of Independent States to fulfill the requirements for SDDS subscription and become the 52nd subscriber to the standard in 2003. This represented an important milestone in the continuous refinement of Ukraine's macroeconomic statistics.</p>
Success factors	<p>The pace of progress achieved in Ukraine points to the importance of taking a consistent longer-term strategy in the context of a country that is undergoing a deep economic and cultural transition. Although it took time for the Ukrainian authorities to fully commit to and implement the new standards, the cooperation between the NBU and the IMF improved continuously over time, leading to significant improvements a decade after the first missions.</p>

Compiled on the basis of Thomas K. Morrison (Ed): Statistical Capacity Building – Case Studies and Lessons Learned. IMF, 2005.

Case 2

Building Statistical Infrastructure in Bosnia and Herzegovina



Bosnia and Herzegovina

Placement of Resident Multisector Statistical Advisor

1999-2004

Funded by the IMF and the Government of Japan

Context and approach

When Bosnia and Herzegovina emerged after the war of 1992-96, its statistical infrastructure had become inadequate to support the newly independent, market-oriented economy. In 1999, the IMF appointed a resident Multisector Statistics Advisor (MSA) to support the reorganization of statistical infrastructure and the first compilation of macroeconomic statistics across all sectors.

Outcomes

The placement of the MSA helped Bosnia and Herzegovina to draft a state-wide statistics law and establish a statistics division in its new Central Bank. Technical Assistance (TA) and training provided by the MSA also helped to produce macroeconomic statistics in all areas, including the first GDP and balance of payments estimates in line with international methodologies. In 2001, these data enabled the IMF to introduce a country page for Bosnia and Herzegovina in the IMF's *International Financial Statistics* (IFS) (data.imf.org).


Evaluation

The support provided to the statistical agencies of Bosnia and Herzegovina was **relevant** and had **sustained impact**. Although the country's statistics were still considered to have shortcomings by the end of the MSA appointment, the changes to the legal and organizational infrastructure provided the foundation for subsequent improvements. Today, Bosnia and Herzegovina's statistics are considered to be broadly adequate for IMF surveillance. The quality of the macroeconomic statistics is likely to improve further since Bosnia and Herzegovina's formal application for membership in the European Union (EU) in February 2016, as statistics constitutes one of the 35 chapters that form the basis of the EU accession negotiations (*acquis communautaire* 2013, chapter 18).

Success factors

STA's capacity development activities in Bosnia and Herzegovina benefited from the fact that a long-term resident advisor was able to provide day-to-day support to statistical compilers, and that the multi-sector approach promoted consistency across sectors. The reason why monetary statistics nevertheless progressed faster than real sector statistics was primarily due to differences in the legislative basis, reform urgency and commitment, and available resources between the central bank (responsible for monetary statistics) and the State statistical office (in charge of real sector statistics). This discrepancy highlights the importance of a supportive and adequately resourced host institution for effective delivery of capacity development.

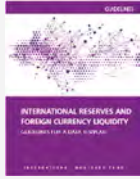
Compiled on the basis of Thomas K. Morrison (Ed): Statistical Capacity Building – Case Studies and Lessons Learned. IMF, 2005.

Case 3	Developing a Common Compilation System for External Statistics in West Africa
	<p><i>Benin, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal, Togo</i></p> <p><i>Placement of a resident statistical advisor</i></p> <p><i>External Sector Statistics</i></p> <p><i>1996-99</i></p> <p><i>Funded by the Government of Japan</i></p>
Context and approach	<p>As one of the world's longest-standing monetary unions, the West African Economic and Monetary Union (WAEMU) requires consolidated statistics to make policy decisions for its eight member countries. On the occasion of the transition to the fifth edition of the <i>Balance of Payments Manual (BPM5)</i>, the IMF appointed a resident statistics advisor to assist the Central Bank of West African States (BCEAO) to develop an improved common compilation system for external statistics for its members.</p>
Outcomes	<p>The common compilation system enabled all WAEMU member states to collect, compile, and disseminate balance of payments and international investment position data in compliance with the BPM5, and allowed the BCEAO to compile the same statistics for the WAEMU as a single economic territory. The response rates to the balance of payments questionnaires also increased dramatically after these were accompanied by tables that mapped the entries to the common accounting system of francophone West Africa – a system that was later expanded to other francophone African countries. Thanks to the increased response rates, the coverage and quality of external sector statistics improved considerably.</p>
Evaluation	<p>The TA provided by the resident statistics advisor were relevant and had sustained impact. The common compilation system, which was devised with the assistance of the advisor, is still in place today, and has inspired the compilation system in the six member countries of the Economic Community of Central African States. To enhance the availability of the external sector statistics (ESS) in the region, the common compilation system will serve as the basis to migrate to the sixth edition of the <i>BPM (BPM6)</i> and implement the new statistical surveys that have emerged over the last decade (e.g., the Coordinated Direct Investment Survey and the Coordinated Portfolio Investment Survey). A new Japan-financed project was launched in August 2016 to accompany the countries in these endeavors.</p>
Success factors	<p>The West African countries benefited strongly from the sustained appointment of the IMF statistics advisor at BCEAO headquarters, as this allowed for sufficient time to understand the institutional and economic background of the countries and facilitated day-to-day support in the implementation. The accounting background of the long-term expert was also relevant for the design of the common compilation system.</p>

Compiled with input from Jean Galand (Strategy, Standards and Review Division, STA).

Case 4

Template on International Reserves and Foreign Currency Liquidity



47 original SDDS subscribers and 35 subsequent countries
Regional training and remote support
External Sector Statistics
1999-2000
Funded by the IMF

Context and approach

The Asian financial crisis of 1997-98 highlighted the inadequacy of existing data on international reserves and foreign currency. Notwithstanding the initial reluctance of many country authorities to disclose information regarded as sensitive, STA cooperated with major central banks on implementing a statistical framework to present data on international reserves and foreign currency liquidity. In 1999, the data template was included as prescribed category of the Special Data Dissemination Standard (SDDS), the standard for countries seeking access to international capital markets. From 1999 onwards, the IMF offered regional training and remote consultations to the original 47 SDDS subscribers (as well as in subsequent years to the 27 new subscribers and some non-SDDS subscribers) to assist with the preparation and dissemination of the template.

Outcomes

By early-2000, all 47 SDDS subscribers started to report monthly data on international reserves and foreign currency liquidity through the template. As of today, 74 SDDS/SDDS Plus subscribers and 8 non-SDDS subscribers report these data on the IMF website.

Evaluation

The template is an innovative statistical framework that integrates the concept of international reserves and foreign currency liquidity by covering on- and off balance-sheet data on foreign currency resources and foreign currency drains. This represents a significant increase in transparency over the situation in the 1990s, when only official reserve assets were available in most cases. Full transparency on international reserves and foreign currency liquidity is highly **relevant** for country authorities—who use the data to guide economic policies and reserves management—and the IMF, which uses the data for surveillance purposes. Other users, such as rating agencies, markets, and private investors, also welcome the enhanced transparency for their decision-making. The capacity development accompanying the implementation of the template has been highly **effective**—resulting in the implementation across all 47 countries within less than a year (and across all 27 subsequent subscribers to date) —and very **efficient**, being delivered primarily through remote consultations on demand from individual countries.

Success factors

The timely implementation of the template among 47 SDDS subscribers was made possible by the countries' commitment to disseminate better data on international reserves and foreign currency liquidity, which complemented other available indicators for vulnerability analyses. Although the mandatory aspect of the template helped to ensure the timeliness of the implementation, several non-subscribers also readily adopted the template in cases where the relevant authorities deemed the template useful in guiding economic policies and a positive signal to international financial markets, investors, and the public at large.

Compiled with input from Antonio Galicia-Escotto (Balance of Payments Division, STA).

Case 5

Bringing Fiscal Statistics in Line with International Standards in Russia



Russian Federation

Placement of a Multisector Statistics Advisor, multiple single-topic missions, and training

Government Finance Statistics

1999-2004

Funded by the IMF

Context and approach

Since the 1990s, the Russian Federation has made major strides in reforming its budget system and bringing public financial management processes in line with best international standards and practices. Part of this work consisted of reforming government accounting, reporting, and budget classifications, as well as creating a modern treasury system. The main goal was to create an integrated financial management information system which would support not only accounting and reporting functions of the government, but also become an effective instrument of budget execution and cash management. Russia's *Treasury Development Project* was a major step towards this modernization. STA supported the authorities by placing a resident Multisector Statistics Advisor (MSA) in the country, by conducting multiple missions on the topic of government finance statistics (GFS), and by providing training to the Russian authorities.

Outcomes

Russia made substantial progress in strengthening fiscal accounting and reporting. In 1999, the Minister of Finance accepted recommendations to create a GFS Division in the Treasury, which developed the valuable capability to produce GFS based on international standards. From 2002 onwards, Russia extended its statistics from the central government to the general government and reported accrual-based data alongside cash-based data – as one of the first countries to adhere to the *Government Finance Statistics Manual 2001 (GFSM 2001)*. The progress continued after the STA GFS missions during 2000-04: Russia's GFS is now broadly in line with the newest international standards (*GFSM 2014*), and the country publishes balance sheet data, which include non-financial assets alongside financial assets and liabilities of the government.

Evaluation

The TA and training provided to Russia was **relevant**, addressing a need for reliable GFS that had been expressed by the country authorities and the IMF's European Department. It was delivered **effectively**, helping to bring Russia's government finance statistics broadly in line with international practices. The TA had **sustainable** impact, as the progress in GFS continued long after the close engagement through the MSA and the missions had ended.

Success factors

Russia made substantial progress because the topic was considered a priority for the country. The national authorities were fully committed to reporting fiscal statistics that would be understood by the international community, including the IMF and the financial markets. The quick pace of implementation from 1999 onwards was ensured through the efforts of the MSA, and was made possible by the achievements of the Treasury Development Project with regard to accounting and budget classification reform and the automation of compilation systems.

Compiled with input from Irina Dubinina, (Government Finance Division, STA and former Head of the GFS Division of the Federal Treasury of the Russian Federation).

Case 6

Introducing Statistical Legislation in Cambodia



Cambodia

*Placement of resident Multisector Statistical Advisor
2001-07*

Funded by the IMF and the Government of Japan

Context and approach

As a side effect of Cambodia's political decentralization and economic transition during the 1990s, the data coordination mechanisms between different government agencies weakened considerably. At the request of the Cambodian authorities, the IMF placed a Multisector Statistics Advisor (MSA) for Cambodia in 2001. He supported the authorities in the drafting of statistical legislation and in compiling and disseminating macroeconomic statistics. The MSA also helped to coordinate the ongoing TA activities by other donor agencies and STA.

Outcomes

Cambodia enacted a *Statistics Law* in 2005, which regulated the collection and dissemination of statistical data. It also improved the coverage, periodicity and timeliness of macroeconomic statistics across all sectors, with one notable outcome being the publication of quarterly national accounts estimates in 2005.

Evaluation

The MSA appointment was **relevant, effective, and sustainable**. The *Statistics Law* is still in place at the time of this writing and revisions to the law, submitted in 2015, provided the basis for further increases in the resources of the statistical authorities. The National Institute of Statistics recognizes the contribution of STA and other TA providers to improve the quality of its macroeconomic statistics, and the IMF considers Cambodia's statistics to be adequate for surveillance purposes.

Success factors

The appointment of a Multisector Statistics Advisor was a highly effective way of delivering TA to a country like Cambodia, where continuous support was needed to build statistical capacity in the context of a deep political and economic transition. Cambodia's success was also due to the high degree of commitment by officials, managers, and compilers across all relevant statistical authorities. The enthusiasm for the project helped Cambodia's statistical authorities to achieve relatively high quality macroeconomic statistics, despite the inadequacy of financial resources for the task.

Compiled on the basis of Thomas K. Morrison (Ed): Statistical Capacity Building – Case Studies and Lessons Learned. IMF, 2005; and with input from Zia Abbasi, Long-term Statistical Advisor in Regional TA Centers, (Real Sector Division, STA).

Case 7

Supporting China's SDDS Subscription



China
Multiple TA and training missions
Data Dissemination
2003-15
Funded by the IMF

Context and approach

Given China's rapid economic growth and increased importance in the world economy, there has been strong interest in the country's economic data. Yet for over a decade, China was one of the two G-20 members that had not subscribed to the IMF's Special Data Dissemination Standard (SDDS), which provides a framework for higher-tier macroeconomic data dissemination.

To help increase transparency, STA: (i) held SDDS seminars for Chinese officials; (ii) sent SDDS assessment missions to Beijing; and (iii) conducted SDDS TA missions to assist with data compilation and metadata preparation, as well as training and TA in all topical areas (monetary statistics, external sector statistics, real sector statistics, and government finance statistics). STA sustained its engagement over a decade, following a coordinated approach with the IMF's Asia and Pacific Department (APD) and other IMF functional departments. Within STA, TA in all topical areas was coordinated in such a way that the activities contributed to China's improvement in data compilation, allowing China to meet the SDDS data requirements.

Outcomes

In November 2014, China's President Xi Jinping announced the authorities' intention of subscribing to the SDDS at the G-20 Summit in Brisbane, Australia. In October 2015, China became a SDDS subscriber. China's subscription resulted in the dissemination, for the first time, of the following data categories: discrete quarterly GDP data by production (at current and constant prices); central and general government operations; central government debt; and the reserves data template.

Evaluation

Supporting China's SDDS subscription was **relevant**, as China's statistics have been subject to increased scrutiny as a result of the country's strong macroeconomic performance and role in the world economy. The assistance was **effective** in part because observing higher standards on data dissemination results in the timely availability of statistics for policy decisions and analysis. An outcome usually also associated with the SDDS subscription has been an improved access to, and lower borrowing costs in, international financial markets. According to David Lipton, First Deputy Managing Director of the IMF, "the subscription to the SDDS underscores China's strong commitment to transparency as well as to the adoption of international best practices in statistics." Once a country has subscribed to the SDDS, the statistical improvements made to reach the required standards tend to be **sustainable**.

Success factors

The Chinese experience highlights the importance of securing commitment from the national authorities. STA provided a significant amount of training and TA for more than a decade in many statistical domains, and the announcement of the authorities' intention to subscribe to the SDDS at the 2014 G-20 Summit helped create momentum. This commitment was fostered by various IMF initiatives, most notably the inclusion of the Renminbi in the Special Drawing Rights (SDR) basket. Since the SDR review requires adequate data, this created further incentive for China to improve data transparency in line with the IMF's systems and standards.

Case 8

Harmonizing Monetary Statistics in Central America



Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Dominican Republic
Two-year and one-year projects with country-specific missions and regional workshops
Financial Institutions
2006-08, 2011-12
Funded by the Government of Japan

Context and approach

In 2006, the Central American Monetary Council (CAMC) requested the help of the IMF to harmonize the monetary statistics of its member countries. In a series of country-specific missions and regional workshops, STA supported the seven countries to produce monetary statistics based on the IMF's *Standardized Report Forms* (SRFs), which—based on a common methodology—would ensure the comparability of these statistics across countries and lead to a set of harmonized statistics for the region as a whole.

Outcomes

After the first phase of the project in 2006-08, all countries compiled harmonized statistics and reported the SRFs for the central bank and other depository corporations (ODCs). Regional monetary statistics were compiled and disseminated on the CAMC website beginning in December 2008. After the second phase in 2011-12, all but two countries (Costa Rica and Panama) compiled harmonized statistics and reported the SRF for other financial corporations (OFCs).

Evaluation

The harmonization of statistical products in Central America was highly **relevant**: the TA was requested by the CAMC, which required comparable data to prepare and monitor integration efforts towards a monetary union. The project was **sustainable** and **effective** at achieving its desired outcome, as all countries introduced the SRF as source data for their monetary statistics and produced a harmonized set of analytical accounts which is used by the countries, the CAMC, and the IMF. Once the currency union becomes a reality, these harmonized data can also form the basis for common monetary policy decisions.

Success factors

Active project management was critical to the success of this multi-country project: project managers were appointed in all countries to promote ownership, and a project manager at IMF headquarters regularly followed up with them to ensure that project milestones were completed on time. The project also benefited from appointing a single Mexican expert throughout the two phases of the project. Having the same cultural, linguistic, and statistical background as the country authorities, the expert helped to build working relationships and ensured continuity throughout the project.

Compiled with input from Marco Martinez (Financial Institutions Division, STA).

Case 9

Introducing the Financial Access Survey



189 economies
Survey design and remote consultations
Financial Institutions
2009-present
Funded by Netherlands' Ministry of Foreign Affairs and the Bill & Melinda Gates Foundation

Context and approach

Following a call for high-quality and internationally comparable statistics on financial inclusion by the United Nations (UN) Advisors Group on Inclusive Financial Sectors in 2008, the IMF launched the Financial Access Survey (FAS) in 2009. Since its launch, the FAS has continuously evolved to meet the demands of users, reflect the capacity of data compilers, and capture new developments in financial services delivery. A recent example was the collaboration with the Bill & Melinda Gates Foundation that led to the inclusion of statistics on mobile money services in 2014. STA designs the survey in consultation with stakeholders, and administers the database and corresponding web portal. STA is also working with compilers in participating countries by resolving methodological challenges and offering guidance and support to implement the survey.

Outcomes

The FAS is one of the most comprehensive databases on financial inclusion, containing statistics from a wide array of financial service providers around the world. The most recent version of the FAS provides policymakers and analysts with more than a decade of internationally comparable statistics on access to, and use of, formal financial services by households and firms in 189 economies. The coverage of indicators is steadily increasing, even for financial services that only recently started to exist. For example, the database already contains statistics on mobile money services for around 80 percent of all FAS reporters in Sub-Saharan Africa, although these were only launched a few years ago in many countries.

Evaluation

The FAS is a **relevant** statistical innovation, resulting from a demand from stakeholders to close an important data gap. During its brief existence, the FAS **effectively** addressed this gap and is an officially recognized data source for the Set of Financial Inclusion Indicators of the G-20. Selected FAS indicators also have been nominated to be part of the Sustainable Development Goals (SDGs) indicator framework of the UN. In addition, the data are being increasingly used in Financial Sector Assessment Programs of the World Bank and the IMF. The **sustainability** of the database is underlined by an increasing number of economies that signed the Maya declaration, thereby committing to deliver concrete financial inclusion results to the unbanked, and requiring reliable statistics to keep track of their progress. A streamlined data processing and validation system, in combination with remote assistance provided to compilers, ensures that STA is **efficiently** hosting the FAS.

Success factors

The provision of data for the FAS is voluntary, yet the number of contributors has steadily grown from 138 in 2010 to 189 currently. This expansion is due to an increased interest in financial inclusion, and overall recognition of the FAS as one of the key databases on this topic.

Compiled with input from Peter van Oudheusden (Financial Institutions Division, STA)

Case 10 Improving Real Sector Statistics in the Asian-Pacific Region, Especially Price Statistics in Bhutan



14 Asian and Pacific Island countries, including Bhutan¹
Three-year project with country-specific missions and regional workshops
Real Sector Statistics
2010-13
Funded by the Government of Japan

Context and approach	Real sector statistics have, at times, been considered inadequate for policy purposes and IMF surveillance in many developing countries in the Asia-Pacific region. For example, GDP data may only be available annually and at constant prices, and price indexes may have limited coverage. In a three-year project, STA supported 14 Asian countries to improve the frequency and accuracy of their national accounts and price statistics.
Outcomes	Within a relatively short period of time, all project countries made notable progress. Bhutan, however, stands out for its particular achievements with regard to price statistics (as does Sri Lanka – case 19). Prior to the project, Bhutan compiled its Consumer Price Index (CPI) from prices collected in the capital city only and disseminated the data on a quarterly basis, which can deviate from prices in other urban and rural areas. With CD support under the project, the authorities increased the coverage of their CPI to the national level, significantly improved index compilation methods, and increased frequency from quarterly to monthly dissemination. Bhutan also compiled its first-ever Producer Price Index (PPI) during the course of the project; the PPI was launched in 2012.
Evaluation	The capacity development delivered to the project countries in real sector statistics was relevant and highly effective . Price indices are key economic indicators in their own right, but are also important to deflate other data over time. The more reliable CPI data have not only strengthened monetary policy decisions, but also provided the basis for more realistic adjustments to salaries and wages in the countries. The new PPI data will allow Bhutan to produce better measures of real GDP, which is a prerequisite for domestic economic policy formulation and implementation and informs the country's surveillance dialogue with the IMF.
Success factors	One reason for the outstanding success of Bhutan is the high level of commitment of the authorities and their statistical compilers to the project. In all of the project countries, however, the combination of hands-on training workshops, regular missions, and continuous remote support and follow-up contact were effective to sustain momentum and effect change.

Compiled with input from Brian Graf (Real Sector Division, STA)

¹ Bangladesh, Bhutan, Cambodia, Fiji, Indonesia, Lao PDR, Maldives, Mongolia, Myanmar, Nepal, the Philippines, Sri Lanka, Thailand, and Vietnam.

Case 11

Enhancing Macroeconomic Statistics and Data Dissemination in Africa



25 African countries¹

Five-year project with country-specific missions and regional workshops

Multi-sector Statistics and Data Dissemination

2010-15

Funded by the United Kingdom (DfID)

Context and approach

The Enhanced Data Dissemination Initiative (EDDI) aimed to support wide-ranging improvements in the compilation and dissemination of macroeconomic statistics across 25 African countries, including several fragile states. As such, it was the IMF's most comprehensive capacity development (CD) project in terms of topical and country coverage. TA and training were delivered through ten modules, which were structured around groups of countries with similar needs in the four main topical areas of macroeconomic statistics as well as in the area of data dissemination.

Outcomes

The EDDI achieved a considerable number of concrete results across a range of countries and macroeconomic statistics sectors. Notable among these was the development of quarterly national accounts and the rebasing of national accounts in several countries, as well as the compilation of international investment position statistics among all countries in the balance of payments module. Countries were also assisted to increase data dissemination by publishing national summary data pages (12 countries) and advance release calendars (13 countries). While the project aimed for five new SDDS subscribers, only two—Mauritius and Seychelles—became new subscribers over the course of the project.

Evaluation

In a mid-term evaluation in 2012, the EDDI project was rated very favorably by the participants, scoring highly for **relevance, efficiency, impact, sustainability, and effectiveness**. Most participants emphasized that the project objectives were consistent with their national strategies, and that the improved data—particularly quarterly national accounts—had become important inputs for their Central Banks and Ministries of Finance. In 2015, an extended second phase EDDI2 succeeded the EDDI, and is now a cornerstone of the IMF's statistical capacity development strategy for two IMF area departments, the African Department and the Middle East and Central Asia Department.

Success factors

The Enhanced Data Dissemination Initiative built on previous initiatives in Africa, which allowed STA to organize the project in a proven manner. The module design was effective, as countries were only included in modules when they expressed interest and exhibited need. The combination of a joint opening workshop, need-based regional training workshops, and a series of individual country missions was also helpful, as it allowed countries to interact with and learn from each other. Most progress was achieved in countries where human resources levels and the skills mix were adequate and where reforms benefited from available source data and strong commitment and ownership, including at the political level.

Compiled based on documentation by Thomas Morrison (formerly Resource Management Division, STA).

¹ Botswana, Burundi, Eritrea, Ethiopia, The Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Seychelles, Sierra Leone, South Africa, Sudan, South Sudan, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe.

Case 12 Rebasing National Accounts Statistics in East Africa



Kenya, Rwanda, Tanzania, Uganda, Malawi, Ethiopia, Eritrea

TA coordinated by a regional TA center (East AFRITAC)

Real Sector Statistics

2010-15

Funded by the East AFRITAC partners¹

Context and approach

In many African countries, real sector statistics are still considered inadequate for surveillance by the IMF, often being based on outdated reference points. Over the last five years, the IMF regional TA center for East Africa (East AFRITAC) has helped its partner countries to improve national accounts statistics capacity and rebase GDP estimates to reflect the current structure of the economy.

Outcomes

By 2014, all East AFRITAC partner countries with the exception of Eritrea published improved and rebased national accounts, taking into account omitted activities and assigning higher weights to industries that experienced strong growth (such as telecommunication, finance, or real estate). The rebased estimates showed that the East African economies were significantly larger than previously measured: Tanzania's GDP figures increased by one-third, Kenya's by a quarter and Uganda's by more than ten percent. The four countries of the East African Community (EAC) covered by East AFRITAC—Kenya, Rwanda, Tanzania and Uganda—also produced improved quarterly GDP estimates in current and in constant prices.

Evaluation

The improvement of national accounts statistics is **relevant**: national accounts statistics are heavily used in policy analysis and formulation, and the United Nations recommends to rebase GDP estimates every five years in order to reflect the true underlying economic structure. The TA was **effective** in reaching its aims in six out of the seven East AFRITAC countries. In all of them, the new national accounts estimates are now being used to assess and inform fiscal revenue policies and in forecasting and policy analysis systems for monetary policy decisions.

Success factors

In all East AFRITAC countries, the authorities recognized the need to rebase GDP. The EAC partner states in particular had committed at the ministerial level to harmonize and update the national account statistics as part of working towards the EAC monetary union requirements. The political will translated into a high level of ownership and commitment by the heads of statistics agencies and technical staff. The project also benefited from the regional approach, which ensured that all countries improved together, as well as close coordination with other CD efforts such as the EDDI (case II).

Compiled with input from Zia Abbasi (Real Sector Division, STA).

¹ United Kingdom (DfID), European Union (EU), Switzerland (SECO), Netherlands, IMF.

Case 13 Rebasing National Accounts Statistics in Zambia



Zambia

TA coordinated by a regional TA center (South AFRITAC)

Real Sector Statistics

2011-14

Funded by the South AFRITAC partners¹

Context and approach

As in some African countries, Zambia's real sector statistics were considered inadequate for surveillance by the IMF. National accounts were largely compiled using the methodology described in the 1968 System of National Accounts (SNA), and the underlying 1994 economic census – a heavily outdated benchmark after two decades of economic growth and structural change. To bring Zambia's national accounts up to date, the statistics resident advisor at the IMF's regional TA center for Southern Africa (South AFRITAC) supported the statistical authorities to design and implement a thorough rebasing exercise.

Outcomes

With the help of TA from STA, the Zambian authorities revised and rebased their national accounts statistics from 1994 to 2010, and expanded the coverage of the estimates to include previously omitted activities. The 2010 benchmark fully adhered to the compilation guidelines and recommendations of the 2008 SNA. Released in March 2014, the rebased national accounts were about 25 percent higher than measured before.

Evaluation

The rebasing of GDP estimates was highly **relevant** for Zambia, whose national accounts were based on an outdated snapshot of the underlying economic structure. The TA provided by STA was **effective** and had significant **impact**, as the magnitude of the change in GDP forced policymakers and other stakeholders to revisit the fundamentals of their assessments of the country's economy, such as debt sustainability, money demand, or the inclusiveness of economic growth. The Zambian case is also having demonstration effects across the African continent. A concern remains, however, about the **sustainability** of the exercise, as rebasing needs to become a routine (roughly 5-yearly) procedure to keep the national accounts up to date. To this end, it is critical that the Zambian statistical authorities retain the staff that worked on the rebasing and continue to train new staff in current statistical compilation methodologies.

Success factors

The success of the rebasing was mainly due to the authorities' commitment. The more recent economic census was widely advertised, including street posters. Apart from the strong demand for better economic statistics, Morten Jerven's book "Poor Numbers"—which used Zambian national accounts as an example for shortcomings in African statistics—provided a stimulus for the statistical authorities to prove their ability to produce adequate economic statistics and national accounts data.

Compiled with input from Todor Dimitrov Todorov (Real Sector Division, STA).

¹ United Kingdom (DfID), Indian Ocean Commission, African Development Bank, Brazil, Canada, Switzerland (SECO), European Union, European Investment Bank, South African Development Community (SADC), Australian Aid, Germany (GTZ), Common Market for Eastern and Southern Africa (COMESA), IMF.

Case 14**Compiling Monthly General Government Data in Greece**

Greece

Multiple single-topic TA missions

Government Finance Statistics

2011-14

Funded by the European Union through a joint project with the IMF's Fiscal Affairs Department (FAD)

Context and approach

Greece's public debt crisis was, in large part, a crisis linked to faulty statistics. In 2004, the European Commission found out that Greece had understated its government deficit to join the Euro in 2002; in 2010, a new government admitted that the government deficit and debt were much higher than previously reported. In 2011-14, the IMF started a joint FAD-STA project to design monthly fiscal reports, with the aim of improving the collection, compilation and dissemination of reliable monthly government finance statistics.

Outcomes

IMF TA helped Greece to: (i) design new monthly fiscal reports, (ii) implement IT-supported processes to automatically collect, compile and disseminate fiscal data, (iii) ensure appropriate quality, and (iv) coordinate the statistical work between the Ministry of Finance, the Bank of Greece and the Hellenic Statistical Office. Starting in April 2014, Greece released monthly aggregates and detailed data on revenue, expenditure, financing, and balancing items for the general government and its subsectors, as well as data on state debt including arrears and state guarantees. The statistics follow the internationally accepted methodology, and are published after a maximum of 30 days after the reporting period, following an online publication calendar.

Evaluation

Reliable monthly government finance statistics are highly **relevant** for Greece, as they are critical for the authorities to monitor their budget in a timely manner, assess fiscal performance under the country's financial assistance program with the international community, and ultimately help restore the confidence of international financial markets. The TA program was **effective** at reaching its aim. The monthly fiscal data resulting from this project are considered to be the most comprehensive, high-frequency data available in Greece, and work is ongoing to further improve them for the benefit of the authorities and to enhance their use in support of the country's financial assistance program.

Success factors

The project critically benefited from the close cooperation between STA and FAD, which helped ensure that STA's work would be embedded in other fiscal reforms underlying the financial assistance program. The STA team also coordinated its work with Eurostat and interacted with other partners of the financial assistance program (European Commission, European Central Bank) to set priorities. The project involved all three national institutions using all available data sources, exchanging data and methodological knowledge, conducting checks and eliminating discrepancies, and thus ensuring data reliability and compatibility with internationally accepted statistical standards.

Compiled with input from Miguel Angelo Alves (FAD, and formerly Government Finance Division, STA) and Viera Karolova (Government Finance Division, STA).

Case 15

Increasing GDDS Participation in Asia, the Pacific, Middle East and Central Asia



Seven Pacific Islands countries,¹ Lao PDR, Myanmar, Timor-Leste, Iran, Turkmenistan, and Uzbekistan

Four-year project with country-specific missions and regional workshops

Data Dissemination

2011-15

Funded by the Government of Japan

Context and approach

In 1996 and 1997, the IMF established a two-tiered initiative to guide member countries in the provision of timely and comprehensive economic and financial data to the public: a special standard for countries that seek access to international capital markets (the Special Data Dissemination Standard, or SDDS) and a general system that provides a framework for developing macroeconomic data, metadata, and related statistical systems in all other member countries (the General Data Dissemination System, or GDDS, which has since been updated to the enhanced GDDS, or e-GDDS). By 2011, 90 percent of IMF member countries had started to participate in one of the initiatives. This project aimed to close the gap for 13 targeted countries in Asia, the Pacific, the Middle East and Central Asia.

Outcomes

By the end of the project, ten of the 13 project countries were participating in the GDDS as intended, with only Lao PDR, Turkmenistan and Uzbekistan not yet committing themselves to disseminate their data to the public by the end of the project.

Evaluation

Increasing GDDS/e-GDDS participation is a **relevant** step towards achieving the objectives of promoting data dissemination and having more reliable, accurate and timely data from as many countries as possible. To become a GDDS participant, a country develops metadata that reflect their current data compilation and dissemination practices, and drafts plans for improvements for the future. Although GDDS participants commit themselves to using the plans as a basis for future statistical development, metadata have not always been updated in some of the targeted countries. As such, while the project was **effective** at bringing the targeted countries under the IMF's Data Dissemination Initiative, there is scope for more consistently updating the metadata in order to ensure **sustainability**.

Success factors

The commitment of the national authorities was crucial to bring the relevant countries into the GDDS. Particularly in the Pacific region, STA was able to establish excellent rapport with the national statistical authorities, which induced many countries to commit to the GDDS early in the project. The project also benefited from close collaboration with the Secretariat of the Pacific Community, which helped to generate synergies with ongoing capacity development activities in the region.

Compiled with input from Ulhas Gunjal (Strategy, Standards and Review Division, STA)

¹ The seven Pacific Island countries comprised Marshall Islands, Federated States of Micronesia, Palau, Papua New Guinea, Samoa, Tuvalu, and Cook Islands.

Case 16 Enhancing the Monthly Index of Economic Activity in Guatemala



Guatemala

TA delivered by a regional TA center (CAPTAC-DR)

Real Sector Statistics

2011-13

Funded by the CAPTAC-DR partners¹

Context and approach	In the absence of quarterly GDP estimates, the Central Bank of Guatemala compiled a Monthly Index of Economic Activity (MIEA) to monitor short-term changes in economic activity. After this indicator failed to track the 2008 crisis, the authorities reached out to the IMF's regional TA center for Central America (CAPTAC-DR) to request support to enhance the coverage, methodology, and usability of the MIEA.
Outcomes	In one year, the joint work between CAPTAC-DR experts and technical staff in the relevant Guatemalan agencies resulted in an improved version of the MIEA. An optimized, automatic calculation enabled the authorities to have a GDP-related monthly indicator within five weeks from the reference month. Its coverage and methodologies were improved in such a way that it not only clearly shows the 2008 crisis, but also correlates well with the currently available quarterly GDP.
Evaluation	Since its introduction to the Guatemalan Monetary Board in the third-quarter of 2013, the new MIEA has become a relevant piece of information to monitor short-term economic developments, and has served as a basis for policy decisions. It is currently presented to the Board every month with a lag of 35 days, published for users along with a short explanatory note, and it is closely followed by the press. The close collaboration with, and the serious commitment from, the authorities resulted in a very effective and efficient process. The established technical capacity of the compilers plus the expertise gained during the development of the project has led to a sustainable product.
Success factors	The challenges for the project's implementation included, among others, limited human and financial resources, competing priorities, lack of source data for some components of the index, and long lags of some data sources. The authorities' commitment and understanding of the need and usefulness of the redesigned index drove the decision process to allocate resources and prioritize the initiative. Motivated staff and methodological work to exploit all possible sources of information permitted the enhancement of coverage and improved the timelines of the new index. Finally, the close collaboration with data-providing agencies and other departments within in the Central Bank made it possible to achieve this goal in a relative short time span.

Compiled with input from Michael Stanger (Real Sector Division, STA).

¹ Canada, the EU, Luxembourg, Mexico, the Inter-American Development Bank, the seven member countries, and the IMF.

Case 17 **Producing and Improving External Sector Statistics in Asia and the Pacific**



Eight Asian countries and twelve Pacific region countries¹
Three-year project with country-specific missions and regional workshops
External Sector Statistics
2012-15
Funded by the Government of Japan

Context and approach	Until recently, many countries in the Asian and Pacific region did not report adequate external sector statistics (ESS) to the IMF, in some cases severely hampering the assessment of the economies' external situation, as well as related risks and vulnerabilities. In 2012, STA launched a project to help eight Asian and twelve Pacific region countries to close these data gaps by increasing the availability, accuracy, and timeliness of their ESS.
Outcomes	By the end of 2015, the ESS of the majority of the beneficiary countries had significantly improved. Seventeen of the twenty beneficiary countries now report ESS according to the sixth edition of the <i>Balance of Payments and International Investment Position Manual (BPM6)</i> . For some countries, it was the first time that the balance of payments and the international investment position were compiled and reported to STA, or that the external debt statistics were compiled and reported to the World Bank. The reported data are now published in the IMF's <i>International Finance Statistics (IFS)</i> and <i>Balance of Payments Statistics Yearbook</i> (data.imf.org), and in the World Bank's <i>Quarterly External Debt Statistics</i> database (http://datatopics.worldbank.org/debt/qeds).
Evaluation	The TA delivered to the countries was relevant , as ESS were previously lacking for sound economic decision-making and had hampered IMF surveillance in many countries. The improved availability of ESS indicators will allow for better understanding economies' vulnerabilities to external factors, such as climate change or the reliance on external financial support. The project was effective , having by and large achieved its objectives within the foreseen time frame. By the end of the project, 19 out of 20 countries produced reliable, comparable and timely ESS and provided them to the IMF. Notwithstanding the significant progress achieved under the project, countries will need to continue to dedicate sufficient human resources to the production of these statistics in order to ensure the sustainability of the improvements.
Success factors	The countries where improvements in ESS were most pronounced were often the countries in which the authorities were most engaged in the project. The project team worked with the IMF's Asia and Pacific Department (APD) country teams and resident representatives to foster the authorities' buy-in. The collaboration between STA and APD to identify the main data gaps, define priorities, and assess the outcomes of the assistance were key to the successful outcomes of the project.

Compiled with input from Fernando Lemos (Balance of Payments Division, STA).

¹ The Asian module benefited eight countries: Bangladesh, Bhutan, Cambodia, Maldives, Mongolia, Nepal, Sri Lanka, and Vietnam; and the Pacific region module benefited 12 countries: Fiji, Kiribati, Marshall Islands, Micronesia, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu. In addition, Lao PDR, and Myanmar participated in the workshops organized for the Asian module.

Case 18**Reforming Public Sector Statistics in Asian and Pacific Countries, Especially Indonesia**

28 Asian and Pacific countries, including Indonesia¹

Three-year project with country-specific TA missions, country-specific as well as regional training missions, and continuous remote consultations

Government Finance Statistics

2012-15

Funded by the Government of Japan

Context and approach

In the context of this Japan-funded project for 28 selected Asian and Pacific Island countries, STA supported the Indonesian authorities to strengthen their fiscal statistics in line with the international standard (*GFSM 2001*) for the compilation of government finance statistics (GFS). The project formed part of Indonesia's broader public financial management reforms which included an overhaul of the chart of accounts and the implementation of GFS in central and local government information technology (IT) systems.

Outcomes

During the project, Indonesia implemented an integrated financial management information system that is bridged to the GFS classifications. This is used to compile more comprehensive and more reliable data. By 2015, the country increased the coverage of its annual GFS from central government to the general government (including 33 provinces and 505 local governments and municipalities). By end-2015 Indonesia reported, for the first time, quarterly general government GFS as well. Indonesia also improved the quality of its GFS, eliminating the discrepancy between the deficit/surplus and financing data and reporting a functional classification of expenditure.

Evaluation

The implementation of the *GFSM* was highly **relevant** for Indonesia, as it supported the country in complying with the recommendations of the G-20 Data Gaps Initiative, and was highly **effective** at reaching its objective. Improved reliability and increased granularity and periodicity of data provided policymakers and the public with a more accurate picture of the government sector and facilitated the identification and monitoring of fiscal risks. At the request of the authorities, the capacity development activities in Indonesia are being extended to continue through 2018, with the aim of further deepening the GFS system, increasing the pace of GFS development and widening the use of GFS data for fiscal analysis and policy making. The activities will thus also help Indonesia to **sustainably** strengthen the financial accountability and transparency of government at all levels.

Success factors

The major contributing factor to Indonesia's notable achievements was the authorities' decision—under a Ministerial Decree—to reform public sector statistics in order to comply with the recommendations of the G-20 Data Gaps Initiative. The transition to the *GFSM* framework was paired with ongoing reform of the chart of accounts, which created synergies with the reform of IT systems that was necessary for the initiatives. Another success factor in Indonesia was the continuity of engagement between the IMF and the country's authorities, with the same people involved over the entire duration of the project.

Compiled with input from Tobias Wickens (Government Finance Division, STA).

¹ The 14 participating Asian countries comprised: Bangladesh, Bhutan, Cambodia, India, Indonesia, Lao PDR, Malaysia, Maldives, Myanmar, Nepal, the Philippines, Sri Lanka, Thailand, and Vietnam. The 14 participating Pacific Island countries were: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of the Marshall Islands, Republic of Nauru, Republic of Palau, Papua New Guinea, Samoa, Solomon Islands, Democratic Republic of Timor-Leste, Tonga, Tuvalu, and Vanuatu.

Case 19 Bringing Sri Lanka's Statistics to Comply with SDDS Requirements



*Twelve Asian and Pacific countries, including Sri Lanka¹
Diagnostic mission, TA and training delivered through a project to enhance data dissemination in the Asia and Pacific region
2012-15
Funded by the Government of Japan*

Context and approach

Emerging from an extended civil war in 2009, the Sri Lankan authorities committed to catching up with the social, economic, and institutional success of other countries in the region. To this end, Sri Lanka asked STA to assess its data dissemination practices against the requirements of the Special Data Dissemination Standard (SDDS) in 2012. The assessment found that nine data categories needed to be improved to meet the SDDS requirements in terms of data coverage, periodicity, and timeliness. In the context of a larger project to enhance data dissemination in the Asia and Pacific region, STA engaged a regional statistical project manager who coordinated TA and training activities to enhance countries' data dissemination practices and help the authorities move towards SDDS subscription, including in Sri Lanka.

Outcomes

With support from the project, Sri Lanka closed its gap in the nine data categories that fell short of the SDDS. The country produced new statistics on producer prices, central government-guaranteed debt, official reserves assets components and the reserve data template, and improved the timeliness of central government debt, central bank assets and official reserve assets. In November 2015, Sri Lanka became the IMF's 74th SDDS subscriber.

Evaluation

Supporting Sri Lanka's SDDS subscription was **relevant**, as STA responded to the explicit request of the national authorities to help improve the quality and dissemination of their macroeconomic statistics. The capacity development provided to Sri Lanka in the context of the regional project was **effective** and **efficient**, allowing Sri Lanka to graduate from the e-GDDS to the SDDS within the envisaged three years after the start of the project. The observance of higher data dissemination standards means that Sri Lanka has committed itself to improved coverage, periodicity and timeliness of its macroeconomic and financial statistics, which is typically associated with better access to, and lower borrowing costs in, international financial markets. The improvements to Sri Lanka's macroeconomic statistics are likely to be **sustainable**, as the experience of other SDDS subscribers suggests.

Success factors

TA in some topical areas prior to the launch of the project had led to some improvements on which the project could build. However, the high standards of the SDDS and the need to build sufficient technical capacity slowed progress initially, but the formulation of an action plan and steady engagement with the regional statistical project manager helped identify clear objectives and accelerate progress over time. The project also facilitated the collaboration between the Sri Lankan agencies and STA, as the placement of a regional project manager allowed a day-to-day dialogue with officials and facilitated the timely resolution of issues.

Compiled with input from Peter Bradbury (Strategy, Standards and Review Division, STA)

¹ Bangladesh, Bhutan, Brunei Darussalam, Cambodia, Mongolia, Myanmar, Nepal, Papua New Guinea, Samoa, Sri Lanka, Timor-Leste, and Vietnam.

Case 20**Compiling Monetary Statistics and Financial Soundness Indicators in South Sudan**

South Sudan

*Multiple missions and placement of a resident monetary and financial statistics advisor
Financial Institutions*

2012-15

Funded by the South Sudan Trust Fund (European Union, Norway, United Kingdom)

**Context
and
approach**

South Sudan became an independent state in July 2011, and joined the IMF in April 2012. Before July 2011, the Bank of South Sudan (BSS) operated as a branch of the Central Bank of Sudan, and was not involved in statistics compilation activities. Accordingly, the statistical capacity of the BSS as a new central bank was extremely weak. STA fielded TA missions on monetary and financial statistics (MFS) and appointed a MFS resident advisor to assist the BSS to build statistical capacity for the production and dissemination of MFS as well as financial soundness indicators (FSIs), in line with internationally accepted statistical methodologies. An important component of the TA was to provide training in methodology and compilation practices for staff of the BSS and commercial banks.

Outcomes

With the TA from STA, a framework was developed for collecting and compiling monetary statistics for the central bank and the other depository corporations (ODCs) based on the IMF's MFS Manual. The framework includes spreadsheets containing source data tables, bridge tables, the IMF's standardized report forms (SRFs) and surveys for the BSS and ODCs, and for monetary aggregates, which the BSS uses to compile and report MFS to the IMF's African Department (AFR) for surveillance purposes and to STA for publication in the IMF's *International Financial Statistics (IFS)* (data.imf.org). A country page for South Sudan, which also includes data for interest rates, exchange rates, and consumer prices, was introduced in the November 2013 issue of *IFS*. The FSI data are also compiled and reported to AFR for surveillance purposes. However, the FSIs are not disseminated publicly.

Evaluation

The TA provided to South Sudan was **relevant**, responding to the needs of the BSS to effectively conduct monetary policy and supervise banks on the basis of high-quality monetary statistics. It was **effective** at reaching its aim of producing data that would support monetary policy decisions and are useful for assessing financial stability in South Sudan, as well for surveillance by the IMF. The BSS uses the data in performing its functions and publishes them in its Monthly Statistical Bulletin.

**Success
factors**

The TA was successful as it was structured in three parts: on-the-job training of BSS data compilers by the advisor on an on-going basis; bilateral meetings between BSS staff and bank compilers on a regular basis; and bi-annual training workshops for BSS compilers and bank compilers, which trained participants on MFS and FSI methodologies. The authorities addressed constraints by designating more staff to work on statistics. Regular meetings between the advisor and BSS management ensured timely implementation of key TA recommendations.

Compiled with input from Phousnith Khay and Nelson Rutto (both Financial Institutions Division, STA).

Case 21 Developing Quarterly National Accounts in Montenegro



Nine Eastern European countries, including Montenegro¹

Two-year placement of resident real sector advisors in the region, two-year follow-up project with country-specific missions and regional workshops

Real Sector Statistics

2011-15

Funded by the Government of Japan

Context and approach

In the context of a project on “Capacity Building for Sustainable Compilation of Real Sector Statistics in Eastern Europe”, STA supported nine Eastern European countries to develop capacity for the compilation of national accounts and other real sector statistics. In the first two years, STA placed three resident real sector advisors in the region; after that, STA provided TA from headquarters.

Outcomes

All countries under the project made good progress to develop capacity for real sector statistics, and Montenegro stands out for its significant progress in national accounts statistics. The Statistical Office of Montenegro improved the compilation system for annual national accounts and established a compilation system for quarterly national accounts. The first quarterly GDP estimates on an expenditure basis were released in 2015, and Montenegro’s statistics are now deemed broadly adequate for surveillance by the IMF.

Evaluation

The improvements in national accounts statistics were **relevant** for Montenegro, as the country opened the Statistics chapter of the accession negotiations with the European Union (EU)

(*acquis communautaire* 2013, chapter 18) in 2014 and committed to substantial improvements in order to progress towards EU membership. For the IMF’s European Department, improved national accounts statistics were deemed a priority area; the lack of quarterly GDP estimates had previously hampered IMF surveillance. The TA provided in the project was **effective**, reaching its objectives within the planned budget and timeframe. Given the commitment of Montenegro’s authorities to further improve macroeconomic statistics in line with the EU accession requirements, it is likely that the outcomes of the project will be **sustained** in the future.

Success factors

Despite the large regional and topical scope of the project, concrete objectives and work plans were developed with each country during the first phase of the project. This ensured that the country authorities were aligned with the targeted outcomes of the project and committed to the implementation of the work. Political commitment to the project was also fostered by EU accession prospects of these Eastern European countries, particularly Montenegro (which had already opened the Statistics chapter of the negotiations).

Compiled with input from Brian Graf (Real Sector Division, STA).

¹ Albania, Belarus, Bosnia and Herzegovina, Kosovo, FYR of Macedonia, Moldova, Montenegro, Serbia, and Ukraine.

Case 22 **Introducing a Template on Government Revenues from Natural Resources**



Member countries of the Extractive Industries Transparency Initiative (EITI)

Template development and remote TA

Government Finance Statistics

2012-16

Funded by the Managing Natural Resource Wealth Topical Trust Fund (MNRW-TTF)¹

Context and approach

In 2012, the IMF's Fiscal Affairs Department (FAD) asked STA to provide guidance on a template that would contribute to the compilation of data on natural resource revenues for use by resource-rich member countries and that in turn would support their fiscal policies. At the same time, the *Extractive Industries Transparency Initiative* (EITI) (www.eiti.org) International Secretariat, a non-governmental organization promoting transparency and better management in the extractive sectors, requested STA's assistance to present the revenue data in its member-country reports in a comparable format.

In response to both requests, STA designed and field-tested a standard revenue template (consistent with the internationally accepted standard for government finance statistics, the *2014 GFSM*) jointly with the EITI Secretariat, whose member countries now have to submit the template on an annual basis. IMF staff worked directly with compilers in Indonesia, Kazakhstan, Mongolia, Norway, Peru, and Zambia to implement their templates. STA also offered multiple training events and advice to other EITI members, and is providing ongoing remote assistance to answer questions and support the implementation of these templates.

Outcomes

The EITI resource transparency standard is currently being implemented in 49 countries, more than 30 of which have already started to submit their revenue templates to the organization. Thus, the standard revenue template has *de facto* become an international standard.

Evaluation

The natural resource template is a **relevant** innovation, responding to the need of resource-rich countries, IMF departments, and the EITI. It requires extensive disclosure of government revenues from the natural resource sector, enabling the public to better judge whether the sector is well managed. The governments of the EITI member countries, as well as other resource-rich countries, will be able to use the new framework to present their revenue data in an analytically relevant and comparable format. The template has already had an **impact** on the IMF's work, being featured in the *Natural Resources Fiscal Transparency Guide* of the Fiscal Affairs Department and a course on macroeconomic management by the IMF's Institute for Capacity Development.

Success factors

The successful design, field-testing and implementation of the natural resource template can be attributed to the close cooperation between the IMF and the EITI, as well as extensive outreach within and outside the IMF. This broad consultation was essential to obtain relevant feedback from stakeholders on the template's design and buy-in from countries to apply it. In particular, the EITI helped to streamline the template and express the revenue categories in terms familiar to extractive enterprises. The EITI also helped to select pilot countries, enforced the implementation on its members, and directed questions to the IMF Statistics Department for remote assistance, as needed.

Compiled with input from Alberto F. Jiménez de Lucio (Government Finance Division, STA)

¹ Australia, European Commission, Kuwait, Netherlands, Norway, Oman, Switzerland (SECO).

Case 23 Implementing e-GDDS on the Basis of the *Open Data Platform for Africa*



Botswana, Lesotho, Namibia, Nigeria, Zambia

Country-specific TA and training

Data Dissemination

2013-current

Funded by the United Kingdom (DfID) and the African Development Bank (AfDB)

Context and approach

With the implementation of the enhanced General Data Dissemination System (e-GDDS) in 2015, STA has merged its data collection initiative with capacity development in dissemination technology. In Africa, STA TA has supported the compilation of data in line with e-GDDS standards, and the implementation of a web-based *National Summary Data Page* (NSDP) through which these data are disseminated. To implement the NSDP, which is a required component supporting countries' progress across the e-GDDS thresholds, STA made use of an existing cloud-based data dissemination technology that had previously been developed in collaboration with the AfDB, the *Open Data Platform for Africa* (ODP).

Outcomes

By July 2016, five African countries have adopted ODPs for publishing their NSDPs, helping the public get access to timely macroeconomic and financial statistics. In addition, the ODPs allow STA to automatically retrieve these data using the *Statistical Data and Metadata Exchange* (SDMX) standards and re-disseminate them through the *International Financial Statistics* (IFS) (data.imf.org), as well as providing it to the IMF's area department teams for surveillance purposes.

Evaluation

Implementing the e-GDDS on the basis of ODP is **relevant** for African data producing agencies, as the cloud-based technology reduces the burden associated with data requests and encourages data transparency. It has direct **impact** for the IMF area departments, which will have more efficient access to timely data. Other international organizations are showing interest in integrating their data portals with ODP, which would further reduce the reporting burden of African countries. Since e-GDDS provides a clear roadmap to more advanced data initiatives (SDDS and SDDS Plus), it is likely that the improvements are **sustainable**, especially as STA will closely monitor data dissemination practices of e-GDDS countries and report countries' performance to the national e-GDDS coordinators, as well as the IMF's Executive Board.

Success factors

Critical to the success of the e-GDDS in Africa was the cooperation with the AfDB, which allowed STA to re-use their existing data dissemination technology (ODP), as well as cooperation with IMF area departments, which helped to focus on the data that are relevant for surveillance purposes.

Compiled with input from Jolanta Stefanska and Neil Austriaco (both Statistical Information Management Division, STA).

Case 24

Building Statistical Capacity in Palau



Palau

TA and training delivered in collaboration between two overlapping multi-country projects and experts based in a regional TA center for the Pacific (PFTAC)

2012-15

Funded by the Government of Japan and the PFTAC partners (Asian Development Bank, Australia, the European Union, Korea, and New Zealand)

Context and approach

Palau is a small island economy with less than 20,000 inhabitants, and as such was used to relying heavily on foreign expertise for the compilation of its macroeconomic statistics. Consultants funded by the United States Ministry of Interior used to produce most of the official macroeconomic statistics. In the context of two regional projects in Asia and the Pacific (in external and government finance statistics, see also case 17) and PFTAC (in national accounts statistics), STA cooperated across topics to help develop domestic systems and skills for compiling macroeconomic statistics across all sectors in Palau.

Outcomes

In 2015, the Palauan authorities compiled their first full suite of macroeconomic statistics, and found them to be in line with the estimates that the foreign consultants had previously compiled. Palau now uses its domestically compiled data for its policy analysis and forecasting purposes, and has started to report these data to the IMF for surveillance.

Evaluation

The capacity development provided to Palau was highly **relevant** for the country authorities, who had requested support from PFTAC. It was delivered **efficiently** and **effectively**, reaching its objectives in the proposed time frame. The results were immediately visible, as the country now compiles, uses, and disseminates its own data. Although Palau will still need remote support, the impact is likely to be **sustainable**: all processes have been documented and a number of staff have been trained, making it likely that the new skills are retained and further disseminated by the authorities.

Success factors

Palau's success showcases the importance of a pragmatic approach in the context of a small country. IMF staff and experts collaborated across projects and sectors to minimize overlaps and create synergies, and fit the objectives to the basic needs of the authorities. They supported Palau in a variety of interactions—including ongoing remote support to answer questions and cross-check data—and minimized changes amongst staff and experts. On Palau's side, the improvements in statistical capacity were fostered by the commitment of the Palauan authorities, who increased the resourcing of the statistical compilers accordingly and responded in a timely manner to recommendations for improvement.

Compiled with input from Kara Rideout (Resource Management Division, STA) and Gregory Legoff (Real Sector Division, STA).

Case 25**Reinitiating Consumer Price Indices in Lebanon**

Lebanon

Multiple single-topic missions

Real Sector Statistics

2013-16

Funded by the IMF

Context and approach

In 2013, Lebanon stopped publishing its Consumer Price Index (CPI) for five months. As a key input into monetary and economic policy decisions, the suspension of the CPI adversely affected policymakers, who had to make decisions based on incomplete data; and it also affected the IMF's surveillance dialogue with the country. In its first mission, STA noted several methodological shortcomings and compilation issues, which were addressed through subsequent TA and training missions.

Outcomes

With the help of STA, Lebanon addressed the non-reporting of data and substantially improved CPI compilation methods. A revised and improved CPI was released in March 2014. Key improvements included updated index calculation methods; increased frequency of the collection of rent data from annual to monthly; an updated and expanded outlet sample; improved price collection methods; and the compilation and dissemination of detailed indexes at the regional level. STA also supported the Lebanese statistical office to produce and disseminate more detailed sub-indices to address specific needs and requests of its various users, notably for education and fuel (requested by the industrial sector).

Evaluation

The TA provided to Lebanon was **relevant**. It helped the authorities compile price indices that more fully reflect international standards and best practice, and significantly supported more informed monetary policy decisions and the policy dialogue with the IMF. The TA was **effective** at reaching its goal of reinitiating and revising the CPI, and had a significant impact for the data-compiling agencies. Notably, the improved data enhanced the credibility of the national statistical office, and the CPI is now accepted as the official measure of inflation for Lebanon. The capacity development in the statistical office has also been **sustainable**: a dedicated team has compiled the CPI on a monthly basis since 2014, suggesting that the knowledge has been retained and anchored in the organization.

Success factors

Both the authorities and the IMF area department strongly agreed with the need for STA TA to deal with the missing CPI data. The authorities have clearly demonstrated their commitment to the project, which allowed the CPI team to make quick progress and achieve lasting results even after the missions.

Compiled with input from Brian Graf (Real Sector Division, STA).

Case 26

Improving External Sector Statistics in Azerbaijan, Kyrgyz Republic, and Tajikistan



Azerbaijan, Kyrgyz Republic, and Tajikistan

Twenty-month project with country-specific missions and regional workshops

External Sector Statistics

2014-16

Funded by Switzerland (SECO)

Context and approach

In a 20-month project, STA aimed to enhance the data collection and compilation framework for external sector statistics (ESS) in three countries of Central Asia: Azerbaijan, Kyrgyz Republic, and Tajikistan.

Outcomes

All three countries made progress to improve their ESS, but Tajikistan stands out for its significant achievements. While Tajikistan produced only annual balance of payments (BOP) statistics prior to the project, it now reports quarterly BOP and international investment position (IIP) data to the IMF and quarterly external debt statistics to the World Bank. The Tajik National Bank also took the initiative to back cast its statistics, with the aim of providing consistent time series to its users. The Kyrgyz Republic reached similar outcomes as Tajikistan, but started from a more advanced level. Azerbaijan started at a similar level as Tajikistan and has made important strides on the compilation front. It is now working towards disseminating the new statistical products developed during the project.

Evaluation

The three countries were selected to close remaining gaps in ESS in the Central Asian region. Measurable outcomes were already achieved in the middle of the project cycle, indicating the **efficiency** and **effectiveness** of the project. The new statistics are particularly **relevant** for the affected countries to understand their economic interconnectedness with the rest of the world, including potential vulnerabilities to external factors, such as a drop in oil and gas prices. As such, they help policymakers to formulate and monitor macroeconomic policies. They are also conducive to supporting the IMF dialogue with each of the three countries. STA will continue to engage with the countries at regular intervals to cement the project's achievements and help implement more improvements in the medium-term (such as launching large-scale surveys for collecting source data) and thus, it is very likely that the progress will be **sustainable**.

Success factors

The project benefited from a regional approach with three historically and linguistically similar countries. Regional workshops fostered peer-learning and motivated the participants to implement the improvements. An opening workshop helped consolidate the authorities' views and expectations regarding the project's targeted results. The project also made good use of experts, which were assigned to countries based on their economic and linguistic background and which supported compilers for the duration of the project. In addition, the project cooperated closely with representatives of source data providers (such as the statistical agencies and Ministries of Finance), which helped to foster Inter-Agency collaboration.

Compiled with input from Tamara Razin (Balance of Payments Division, STA).

Case 27**Harmonizing Government Finance Statistics in the East African Community**

Kenya, Uganda, Tanzania, Rwanda, Burundi

TA delivered by a regional TA center (East AFRITAC)

Government Finance Statistics

2014-16

Funded by the East AFRITAC partners (DfID, EU, SECO, Netherlands, IMF)

Context and approach

In 2013, the five partner states of the East African Community (EAC) signed a Protocol in preparation for a monetary union, which requires reliable and comparable data. In a joint project with the EAC Secretariat, the IMF regional TA center for East Africa (East AFRITAC) supported the partner states in preparing such data by increasing the coverage, comprehensiveness, and comparability of government finance statistics (GFS) across the five countries.

Outcomes

Within just two years, the partner states largely harmonized their GFS through alignment with the most recent GFS Manual (*GFSM 2014*). Whereas most countries reported data for only the budgetary central government and selected local governments prior to the project, all countries now compile statistics for the general government sector (which includes extra-budgetary units, social security funds, and local governments in addition to the budgetary central government). Further work – on debt, accrual accounting, and public-private partnerships – is under development, and will be extended as issues arise.


Evaluation

The harmonization of GFS is highly **relevant** in preparation for a monetary union, and the IMF support was explicitly requested by the EAC Secretariat. Because of the GFS harmonization, the EAC Secretariat will be able to better monitor partner states' readiness for monetary union, as outlined in the Monetary Union Protocol, and to conduct effective fiscal and monetary policies once the union is established. Many of the harmonized statistics are now reported to the IMF and the World Bank, and are disseminated nationally. For the IMF's African Department, the improvements in timeliness, frequency and coverage of government finance statistics provide a better basis for analyses, surveillance and policy advice to the region. The project was delivered **effectively** and **efficiently**, reaching its objectives within just two years.

Success factors

Much of the capacity building project's success can be attributed to local ownership and control, which was fostered through the design of the project. The first step was to visit each of the countries to form a technical working group (with representatives from the ministries of finance, central banks, and statistics bureaus) to guide the project. The second step was to assist each country to develop a fiscal and debt statistics development plan, which was then adopted. This country-level ownership set the stage for intense and persistent efforts to fulfill the agreed-upon development plans. In addition, peer sharing and learning in GFS regional workshops and continuous engagement helped accelerate learning during the capacity development process and ensure sustainability of the project.

Compiled with input from Johan Mathisen (Government Finance Division, STA).

Case 28	Implementing the Government Finance Statistics Manual in Paraguay
	<p><i>Paraguay</i> <i>Single-topic mission</i> <i>Government Finance Statistics</i> <i>2015</i> <i>Funded by the IMF</i></p>
Context and approach	In 2014, Paraguay's new Minister of Finance asked the IMF to review the compilation of government finance statistics (GFS), with a view to modernizing the methodology used. During a subsequent TA mission, Paraguay agreed to adopt the IMF's GFS standard under the GFS Manual (<i>GFSM 2014</i>) framework, and compiled and disseminated the first <i>GFSM</i> -based statistics for the country.
Outcomes	As a result of the initiative, Paraguay first disseminated <i>GFSM2014</i> -compliant government finance statistics to the public in April 2015.
Evaluation	The mission was highly relevant , addressing an immediate need of the country. It was efficient and effective , achieving its aim in only two weeks. It also had substantial impact : Paraguay not only compiled <i>GFSM</i> -based government sector statistics for the purpose of reporting to the IMF, but started to use these data for its own internal use and for dissemination to the public. Since Paraguay has a legal limit on the government deficit, and since the <i>GFSM</i> definition of government deficits deviates from Paraguay's previous definition, this transition also had a direct influence on fiscal policy decisions.
Success factors	The success of the mission to Paraguay was largely due to the level of ownership of the Minister of Finance, which requested the mission from the IMF and ensured cooperation among different departments. The mission was also able to build on two preceding missions, which had laid the groundwork by identifying issues and developing recommendations.

Compiled with input from Alberto F. Jiménez de Lucio (Government Finance Division, STA).

Case 29 Improving External Sector Statistics in Bolivia



Bolivia
18-month project with three single-sector missions
External Sector Statistics
2015-16
Funded by the Government of Belgium

Context and approach

Over the last few years, Bolivia has made good progress in strengthening the quality and timeliness of its statistics in an effort to work towards full subscription to the Special Data Dissemination Standard (SDDS). Although SDDS requirements for external sector statistics had largely been met by 2015, the IMF's Article IV consultation recommended that the classification of units by institutional sector and the classification of external assets and liabilities by functional categories and instruments needed to be further enhanced. In an 18-month project during 2015-16, STA helped Bolivia implement these recommendations and work towards the adoption of the current international methodologies, *Balance of Payments and International Investment Position* sixth edition (*BPM6*).

Outcomes

As of August 2016, Bolivia has made good progress to improve institutional sector classifications and the treatment of financial transactions in its balance of payments statistics, and is on its way to fully adopt the *BPM6* methodology by the end of the project. With the help of TA by STA, Bolivia also implemented the data template on foreign reserves and international currency liquidity (see Case 4), which is a required component for SDDS subscribers – a status that Bolivia aspires to reach. A launch event is planned by the authorities in late-2016, at which time the new *BPM6*-based statistics will be officially presented to users.

Evaluation

The capacity development provided to Bolivia was **relevant**, as it helped the Bolivian authorities to further improve the quality of external sector statistics, in line with their aspired status as an SDDS subscriber. The improved external sector statistics will inform economic policy-making and analysis of Bolivia's relations with the rest of the world. Since the new statistics will be based on the *BPM6* methodology, the data can be re-disseminated more rapidly through the IMF, increasing data timeliness for users of the IMF's data platform. The project was conducted **efficiently**, using a limited budget to provide **effective** support in a short period of time.

Success factors

Bolivia's success to improve their external sector statistics with the help of just three STA missions reflects their strong commitment to reach high standards in macroeconomic statistics. Senior staff in the Central Bank took ownership of the project, which is reflected in their plans for an official launch of the new statistics at the end of the project. The project also benefited from the work of an experienced expert with a Latin American background, and was able to build on the work of previous diagnostic missions.

Compiled with input from Eduardo Valdivia-Velarde and Antonio Galicia-Escotto (both Balance of Payments Division, STA).

Case 30

Compiling Financial Soundness Indicators in Africa, Asia and the Pacific



48 countries from the African, Asian and Pacific regions
Four-year project with country-specific missions and regional workshops
Financial Institutions
2013-17
Funded by the Government of Japan

Context and approach

In 2001, the IMF endorsed a list of Financial Soundness Indicators (FSIs) with the aim of strengthening the architecture of the international financial system and facilitate financial sector surveillance. Following the 2008 financial crisis, the related G-20 Data Gap Initiative recommendation, and the fact that developing countries were initially slower to report FSIs, STA launched a three-year project (later extended to four years) to promote FSI compilation and dissemination across 48 selected countries in Africa, Asia and the Pacific.

Outcomes

As of April 2016, 20 of the 48 project countries have started to report FSIs to the IMF, providing an average of over 11 out of the 12 core indicators. By July 2016, another five countries had provided their FSI data to STA. Most of the remaining 23 countries agreed to disseminate their FSIs by April 2017.

Evaluation

Having reliable and comparable information on financial sector soundness and vulnerabilities has become particularly **relevant** since the global financial crisis of 2008. The project, which intended to enhance the compilation and dissemination of FSIs, has been **effective** at reaching this goal. Project countries have also started to include FSIs in their own macro-prudential, stress-testing and financial stability policies. For instance, FSIs help to identify “abnormal areas that may need attention by policymakers” in Botswana, are used for stress-testing and off-site supervision in Malawi, constitute inputs for the annual Financial Stability Report in Namibia, and flow into early warning systems in Sudan. Since FSIs are compiled on a regular basis, it is very likely that the know-how is retained in countries, making the project **sustainable**.

Success factors

Since project countries are responsible for the implementation of pre-agreed action plans, a critical factor explaining the differences in the progress across countries is the extent to which country authorities buy into the importance of collecting and disseminating FSIs and drive the project. Operationally, the successful implementation of the project has also benefited from a mix of regional workshops, remotely provided TA and in-country missions. The hands-on regional workshops proved particularly conducive to achieving the project’s objectives, as they emphasized the importance of peer learning.

Compiled with input from Oscar Freudenthal (Financial Institutions Division, STA).

More information on the IMF Capacity Development, including by the IMF Statistics Department, can be found here:

IMF Capacity Development Website
<http://www.imf.org/external/np/ins/english/index.htm>



September 2016

25 Years of IMF Capacity Development in Statistics