The D4D Fund Context

Opportunities and Challenges for Statistics CD in the 2030 SDG Environment

data for decisions
FUND

D4D Fund
Steering Committee
Meeting
LUXEMBOURG

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- **Statistics Capacity Development**

- **SDGs As A New Opportunity and Challenge**

- **Relevance of the D4D Fund**

"It has been said that numbers rule the world; but I am confident that it is numbers which show us whether it is being ruled well or badly."

Johann Wolfgang von Goethe

Drivers of Statistics CD

Traditional

Development of national statistical systems

Data gaps and quality concerns revealed by crises (e.g., 2007/08)

Compilation focus

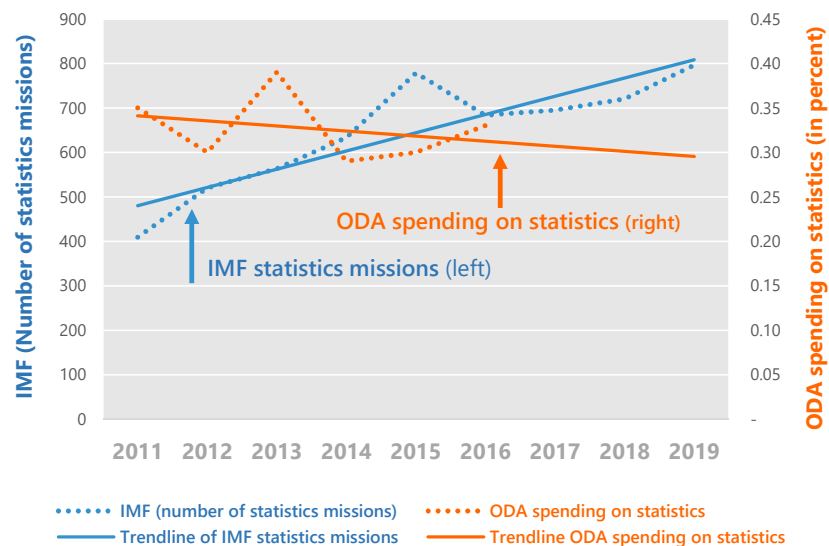Compliance with international standards (e.g. SNA 2008, BPM6)

GLOBAL Statistics CD

Newly emerging

Recognition of policy relevance of data
- Global push for evidence-based policy-making
- New user demands, incl. outside governments
- IMF surveillance

Transparency and accountability
- Focus on dissemination
- Engagement beyond compilers

2030 UN Agenda for Sustainable Development
- 230+ SDG indicators
- Data challenges for two-thirds of indicators

Methodological advances and greater awareness of measurement challenges
- Digital economy

"Data Revolution"
- Big Data

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World Bank Statistical Capacity Score, 2004 and 2017
(by country grouping (100=max.))

■ 2004 ■ 2017

- Statistics CD needs remain pervasive, in spite of considerable TA and training over the last few years.

- Various assessments of statistics capacity in countries point toward entry points for statistics CD.

- Addressing statistics CD needs must be country-driven.

- Yet country ownership and results focus are key for fundamentally addressing statistics reforms.

IMF Country Scorecard

Guinea

Statistics Scorecard

e-GDDS/GDDS subscriber since 2003
GDP Per Capita = $539.62
GDP PPP Rank = 206
Population (thousands, 2014) = 12276

SURVEILLANCE

Responding to Statistics CD Needs

Trends in ODA Support to Statistics and IMF Statistics CD, 2011–19

ODA spending on statistics (right)

IMF statistics missions (left)

Legend:
- ······ IMF (number of statistics missions)
- —— Trendline of IMF statistics missions
- ······ ODA spending on statistics
- —— Trendline ODA spending on statistics

Sources: IMF Travel System (TIMs); Paris21 2018 Partner Report on Support on Statistics (PRESS)

- While statistics CD needs are high, global support has been stagnating at best.

- By contrast, the IMF has steadily increased its TA and training in statistics, making it one of the top global providers.

Top Global Providers of Statistics CD, 2018
(in percent)

- Other 22%
- World Bank 37%
- Canada 6%
- UNICEF 5%
- UNFPA 5%
- IMF 5%
- EU/Eurostat 20%
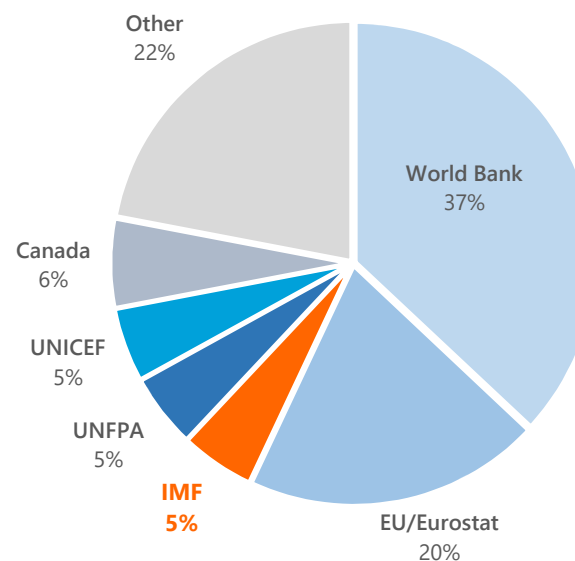
Source: Paris 21 2018 Partner Report on Support to Statistics (PRESS)
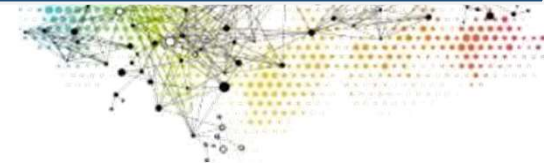
A Bold Vision And New Data Requirements

The SDGs are a call for action by ALL countries to promote prosperity while protecting the planet.

Ending poverty is expected to go hand-in-hand with strategies to build economic and inclusive growth and address a range of social needs (e.g., education, health) while tackling climate change and environmental protection.

This bold vision underlies the commitment to achieve 17 SDG targets with 230+ indicators, setting the stage for an unprecedented demand on countries' national statistical systems to satisfy the needs of the SDG monitoring framework.

This is a huge monitoring challenges, even for advanced countries

Example: **Australia***

Overall Reporting Status

118	57	12	57
Reported online	Exploring data sources	Not reported	Not applicable

Source: sdgdata.gov.au/reporting-status
 * Not applicable=global agreed methodology has not been set

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2017 Cape Town Global Action Plan (CTGAP) for Sustainable Development Data

United Nations WORLD DATA FORUM
HARNESSING THE POWER OF DATA FOR SUSTAINABLE DEVELOPMENT

- Offered a blueprint to guide implementation of programs and activities related to the 2030 Agenda to ensure that "no one is left behind"

- Stressed the need for quality, timely, relevant, open and disaggregated data for SDG monitoring

- Called on policy leaders to achieve a global pact in support of modernization of countries' NSS

- Derived six strategic objectives, including:
  - ✓ Developing and strengthening partnerships of national and global statistical systems to improve transparency and accessibility of official data to the public
  - ✓ Mobilizing resources and coordinating efforts for statistics CD

2018 Dubai Declaration

- **Reaffirmed CTGAP objectives**
- **Explicitly called for enhanced support for strengthening data collection and capacity building for NSS**
- **Made the case for new and innovative forms of CD**
- **Called for political commitment within each country to allocate adequate domestic resources and to strengthen data systems**
- **Advocated a global funding mechanism for statistics CD**

Paris21 studies on investments in NSS related to the SDGs point to the need for strengthened domestic and global resources:

- Scenarios differ by level of ambition
  - **Low:** Basic production of SDG monitoring framework
  - **Medium:** Basic production and statistical CD to ensure sustainability
  - **High:** Full implementation of CTGAP (esp. also including efficient data dissemination)

- **Countries' own resources** are of paramount importance, also to ensure long-term sustainability of commitment

- Funding gap is to be provided for by donors, which under the high-ambition scenario would amount to a **doubling of current ODA**

Annual Funding Gap for Statistics CD by Scenario
(in billions of USD)
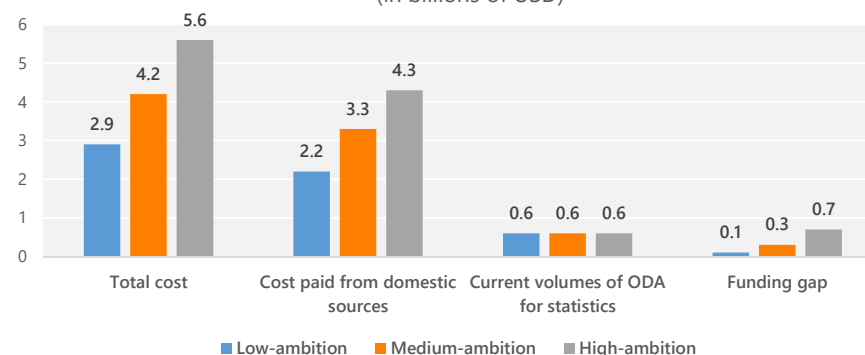
	Total cost	Cost paid from domestic sources	Current volumes of ODA for statistics	Funding gap
Low-ambition	2.9	2.2	0.6	0.1
Medium-ambition	4.2	3.3	0.6	0.3
High-ambition	5.6	4.3	0.6	0.7

■ Low-ambition ■ Medium-ambition ■ High-ambition

Alignment of the IMF's Work With the 2030 Agenda on SDGs

Providing capacity building to strengthen national statistical systems and to develop SDG global indicator framework

Strong, inclusive, and sustainable growth with poverty eradication — *SDG 1-4, 8, 10*

SDG 6 — Gender equity and inclusion

Closing infrastructure gaps in a sustainable way — *SDG 9*

SDG 5, 10 — Creating fiscal space for essential public service delivery

Policies to address climate change

SDG 7, 12, 13

Capacity building for strengthening institutions — *SDG 16*

SDG 17 — Domestic and global economic and financial stability

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IMF's Focus on CD on Macroeconomic Statistics is Conducive to SDG Monitoring

If macroeconomic statistics improve, monitoring of more than one-third of SDG indicators will improve

Examples: More than three dozen indicators relate to GDP or other real sector statistics

- **7.3.1** Energy intensity measured in terms of primary energy and GDP
- **9.2.1** Manufacturing value added as a proportion of GDP and per capita
- **10.1.1** Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population
- **12.c.1** Amount of fossil-fuel subsidies per unit of GDP

Examples: MFS/FSIs beyond areas for which IMF is custodian agency

- **8.10.2** Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider
- **9.3.2** Proportion of small-scale industries with a loan or line of credit

Examples: Some two dozen indicators relate to ESS

- **8.a.1** Aid for Trade commitments and disbursements
- **9.a.1** Total official international support (official development assistance plus other official flows) to infrastructure
- **17.4.1** Debt service as a proportion of exports of goods and services

Examples: Some two dozen indicators relate to GFS

- **1.a.2** Proportion of total government spending on essential services (education, health and social protection)
- **2.a.1** The agriculture orientation index for government expenditures
- **16.6.1** Primary government expenditures as a proportion of original approved budget, by sector

IMF as Custodian Agency for Four SDG Indicators:

- **Indicator 10.5.1 on financial stability:** FSI database http://fsi.imf.org
  - → **CD vehicle: FSSF**

- **Indicator 8.10.1 on financial inclusion:** Financial Access Survey database http://fas.imf.org
  - → **CD vehicle: D4D Fund**

- **Indicator 17.1.1 on government revenue as share of GDP:** GFS database http://data.imf.org/gfs
  - → **CD vehicles: RCDCs, D4D Fund, bilateral projects**

- **Indicator 17.1.2 on share of domestic budget funded by domestic taxes:** GFS database http://data.imf.org/gfs
  - → **CD vehicles: RCDCs, D4D Fund, bilateral projects**

IMF's Medium-term Steady State Statistics CD Architecture To Respond to New Opportunities and Challenges

Field-based Regional Technical Assistance Centers

Provide CD on "bread-and-butter" statistics to establish strong methodological foundation:

- RSS (close to full coverage)
- GFS (increasing coverage)
- ESS (limited coverage)

Aim to fill gaps in coverage

D4D Fund (LLMICs)

- RSS
- GFS } Policy-relevant high-frequency data and source data
- ESS ➡ Topical gaps and expanded regional coverage on ESS basics
- Financial Access Survey (FAS)
- Online learning
- Statistical Information Management

Financial Sector Stability Fund (LLMICs)

- Financial Soundness Indicators
- Balance Sheet Approach:
  - Monetary and Financial Statistics
  - International Investment Position
  - GFS balance sheets

Bilateral & IMF's own resources

- Data dissemination
- Targeted CD, for example:
  - Regional harmonization
  - Source data
  - Other priorities
- Advanced economies

Legend

RSS = Real Sector Statistics
GFS = Gov't Finance Statistics
**ESS** = External Sector Statistics

LLMICs = Low and lower middle-income countries
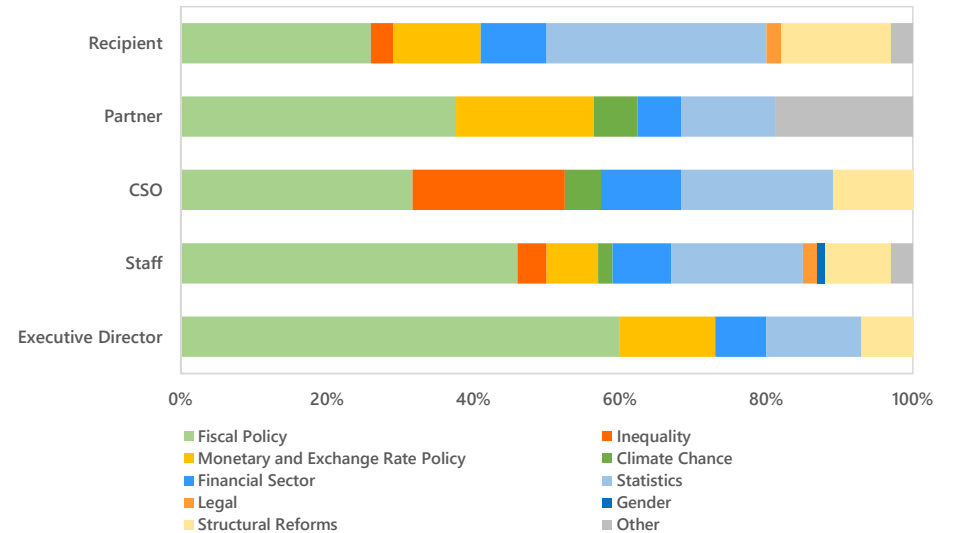
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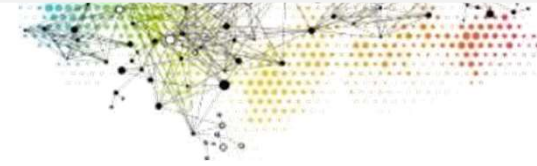
IMF Statistics CD

- Aims to rise to the occasion, made possible through partner support
- Is projected to have the highest growth rate of all IMF CD areas over the next three years
- Responds specifically to requests from beneficiary countries that identified statistics CD as the area of highest demand in the context of the 2018 CD Strategy Review

Projected Growth Rate, FY18-21
By Priority Topics and Country Groups
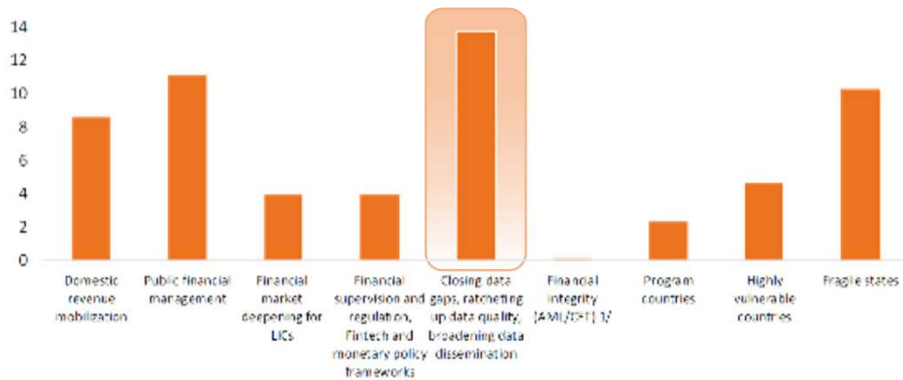
Source: IMF Board Paper on the CD Strategy Review

Where Should the IMF Focus its Future CD Efforts?
(Percent Ranking Choice First)

Legend:
- Fiscal Policy
- Inequality
- Monetary and Exchange Rate Policy
- Climate Chance
- Financial Sector
- Statistics
- Legal
- Gender
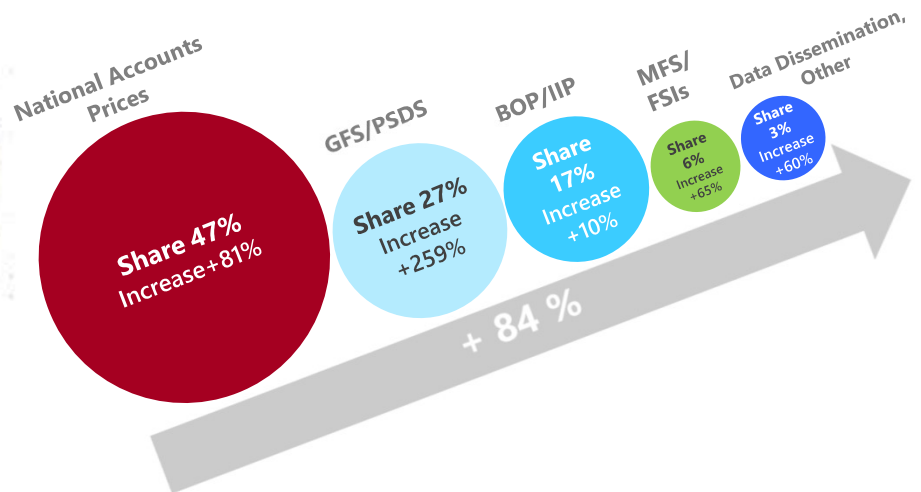- Structural Reforms
- Other

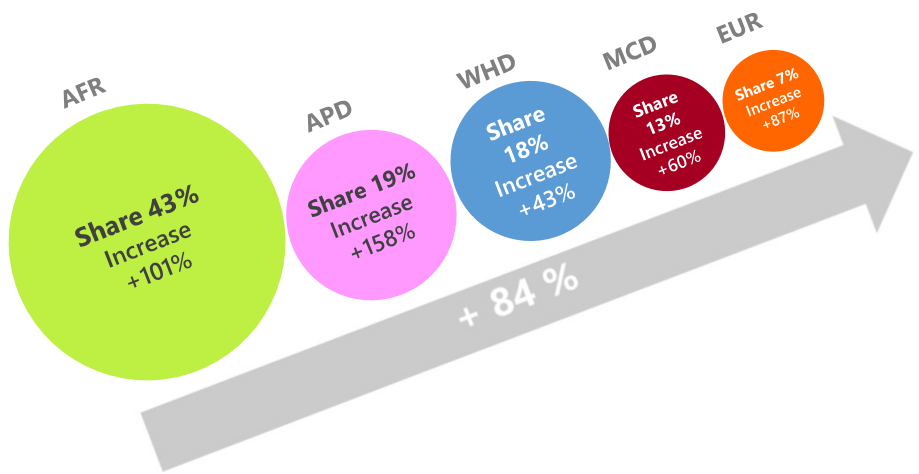**Source:** IMF Board Paper on the CD Strategy Review

Future Growth on Top of Strong Expansion Over the Past Decade

IMF Statistics CD Mission Delivery Shares in FY18
and Increase during FY11-18
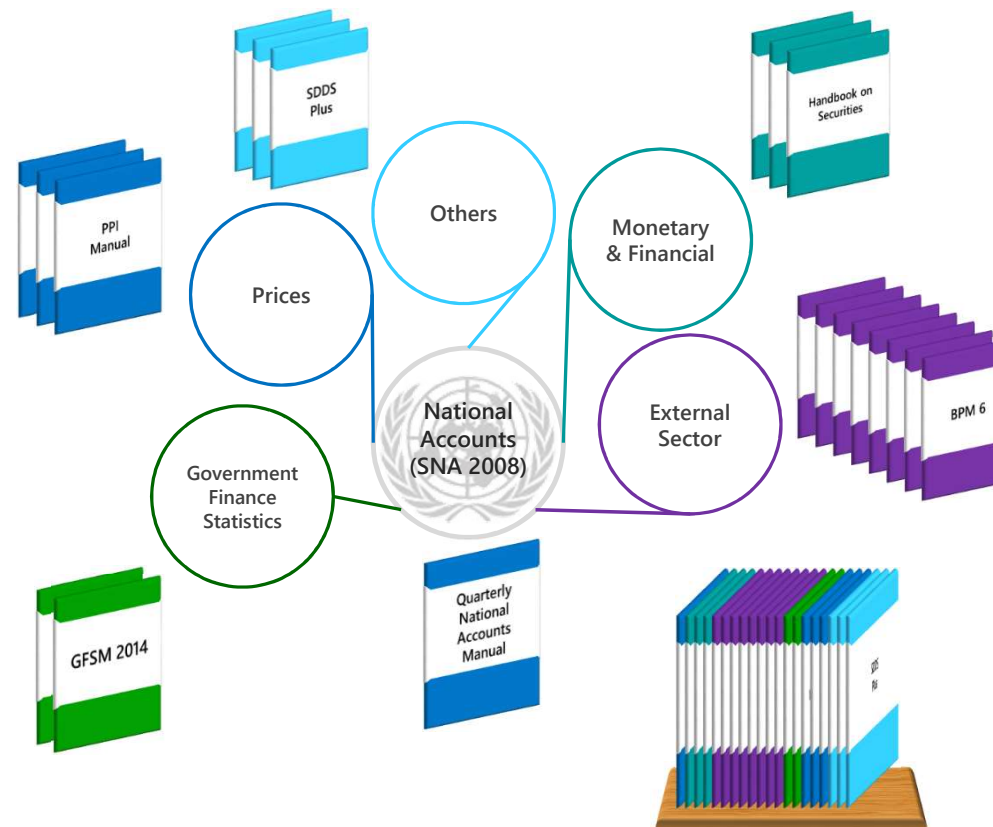**by Statistical Topic** (in percent of FTEs)

National Accounts Prices — **Share 47%** Increase+81%

GFS/PSDS — **Share 27%** Increase +259%

BOP/IIP — **Share 17%** Increase +10%

MFS/FSIs — **Share 6%** Increase +65%

Data Dissemination, Other — **Share 3%** Increase +60%

+ 84 %

IMF Statistics CD Mission Delivery Shares in FY18
and Increase during FY11-18
by Region (in percent of FTEs)

AFR — **Share 43%** Increase +101%

APD — **Share 19%** Increase +158%

WHD — **Share 18%** Increase +43%

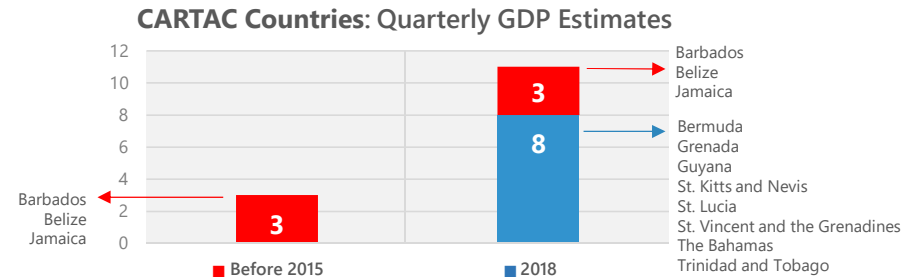MCD — **Share 13%** Increase +60%

EUR — **Share 7%** Increase +87%

+ 84 %

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IMF's Standard-Setting Role on Statistical Methodologies As Underpinning of CD

Some Examples for Producing Results

CARTAC Countries: Quarterly GDP Estimates

Barbados
Belize
Jamaica

Bermuda
Grenada
Guyana
St. Kitts and Nevis
St. Lucia
St. Vincent and the Grenadines
The Bahamas
Trinidad and Tobago

Barbados
Belize
Jamaica

■ Before 2015 ■ 2018

GETTING RESULTS IN MACROECONOMIC STATISTICS

Featured Cases from 25 Years of
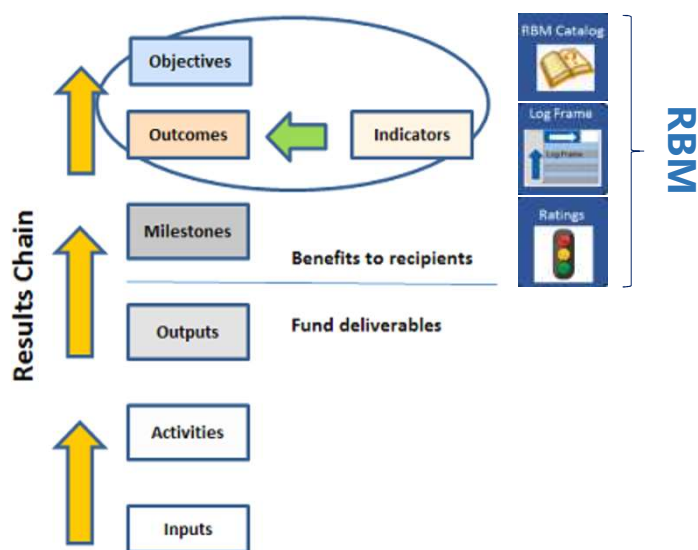IMF Capacity Development in Statistics

INTERNATIONAL MONETARY FUND

- Notwithstanding at times daunting needs, considerable successes have been achieved.

- As a result, LLMICs have caught up with statistical standards and more and better data for policy analysis and formulation have become available.
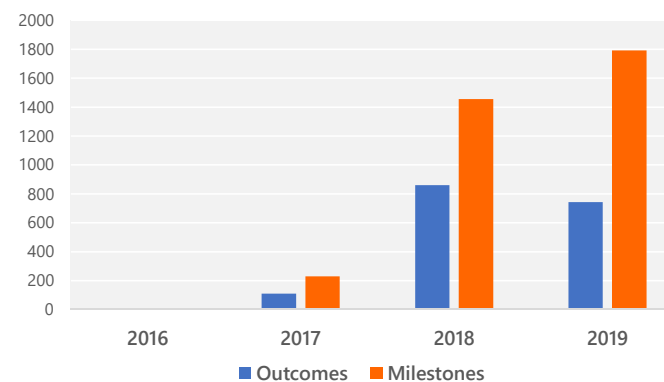
São Tomé and Príncipe: Fiscal Outturn, 2017
(percent of GDP)

Fiscal deficit   Above-/below-the -line discrepancy

■ Prior to TA Missions   ■ After TA Mission
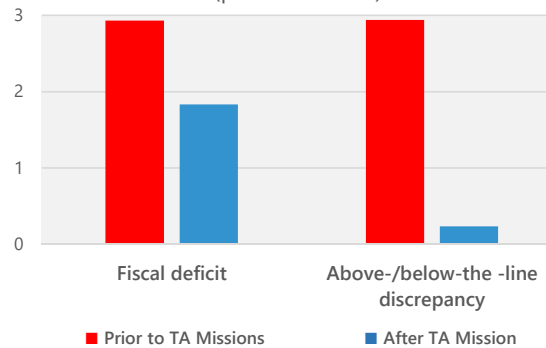
Montenegro: BOP Components
(percent of GDP, average of 2010-16)

Current Account Deficit

Net Errors & Omissions

■ Prior to TA Missions   ■ After TA Mission

Outcome Orientation Bolstered by Advent of the IMF RBM Framework

IMF Statistics CD RBM—2 work streams, 26 outcomes

- Since its inception in FY2016, a wealth of data has been accumulated that can assess progress and results of country CD interventions.

- The RBM framework allows to slice and dice the information based on several criteria (e.g., country, region, funding source, delivering unit), providing important inputs in CD decisions.

Outcomes and Milestones on Statistics CD in IMF RBM Framework, FY2016-19

■ Outcomes ■ Milestones

Milestone Ratings on Statistics CD in IMF RBM Framework, FY2016-19

Largely Achieved 16%

Partially Achieved 13%

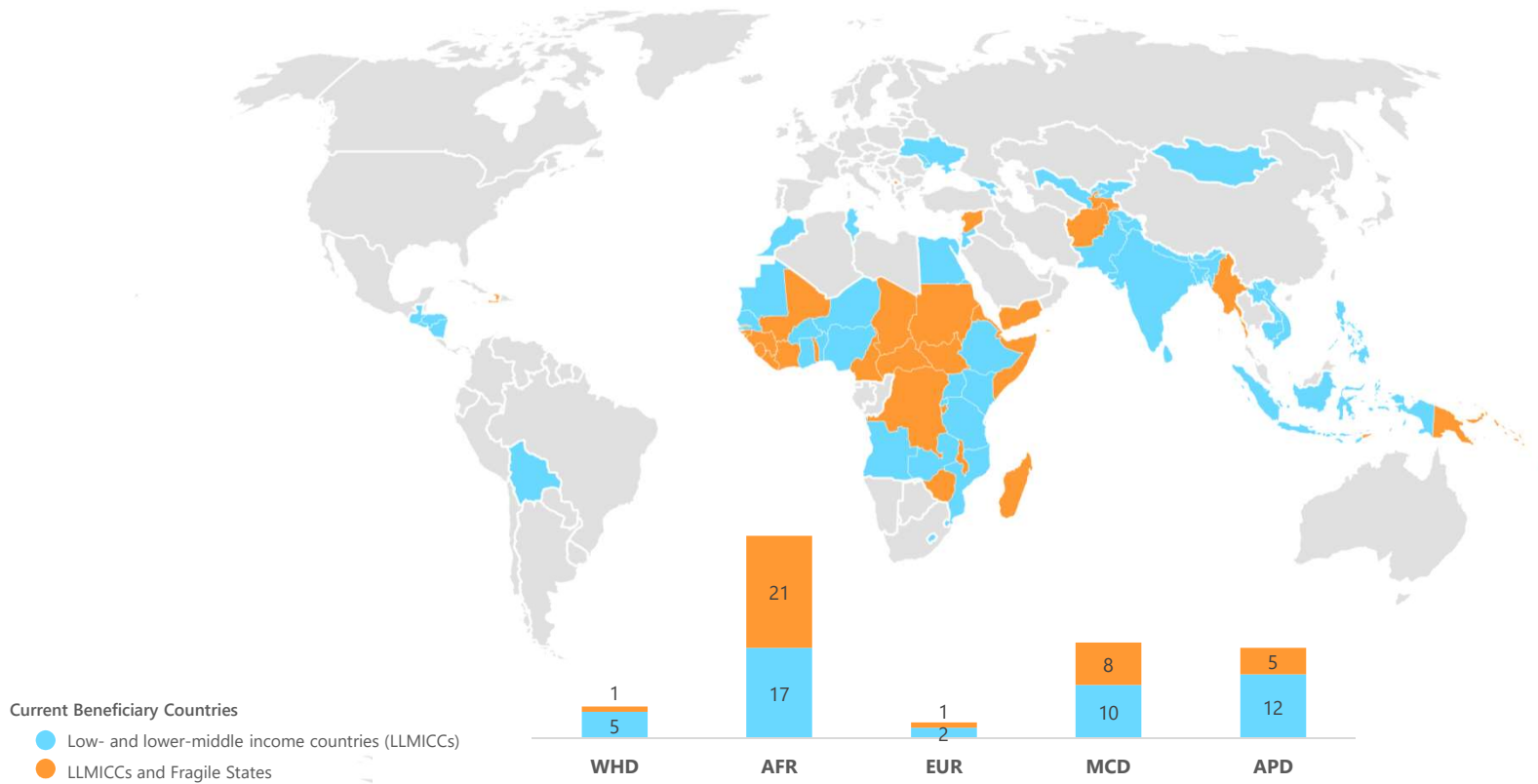Fully Achieved 67%

Not Achieved 4%

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The D4D Fund At the Core of the Strategy:
Rising Share in the IMF's Externally-Funded Statistics CD Budget
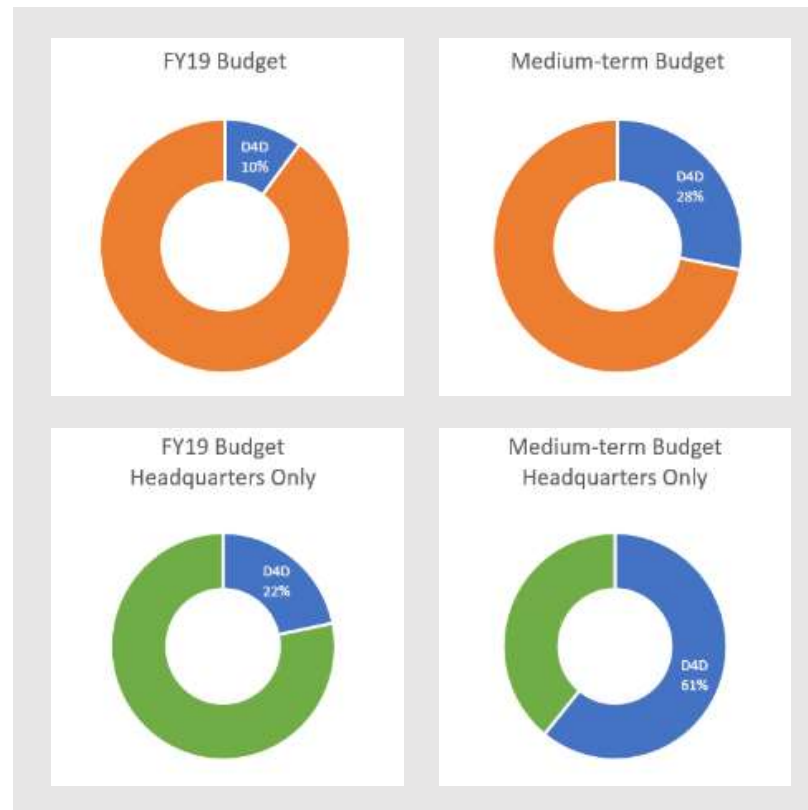
IMF Statistics CD Under the D4D Fund: Focus on LLMICs and Fragile States

Current Beneficiary Countries
- Low- and lower-middle income countries (LLMICCs)
- LLMICCs and Fragile States

	WHD	AFR	EUR	MCD	APD
LLMICCs and Fragile States	1	21	1	8	5
LLMICCs	5	17	2	10	12

Note: Additional countries can become eligible if their income status changes, a country becomes an IMF member, and/or the IMF Executive Board authorizes CD to a non-member country.

Success Factors

Demand and Impact

* Scope in tune with newly emerging issues

* Agility through modular structure and wide LLMIC coverage

* Country-led approach

* Leveraging IMF as trusted advisor

Implementation and Results

* Focus on data for policy-making

* New products, techniques and data sources, incl. Big Data

* Combination of TA and training/workshops to sustain CD

* Close results-monitoring, including by partners

* Enhanced data and TA report dissemination

Technology and Synergies

* Online learning

* Coordination internally and externally

* Efficient CD administration

Data for Decisions (D4D) Fund Overview

Objective: Putting more and better data in the hands of decision makers to enhance evidence-based macroeconomic policies and support achievement of the sustainable development goals.

Focus: Strengthen national statistical systems to cope with a more challenging national and international policy environment, promote transparency and accountability, and offer efficient solutions to CD.

Conceptual Foundation: Based on a needs assessment that considered (i) demand from countries, (ii) policy relevance, (iii) identified data gaps and data quality concerns, (iv) complementarity of CD provided out of the IMF's Regional Technical Assistance Centers (RTACs) and bilateral CD projects, and (v) the need for flexibility to react to a country's capacity and readiness to accept CD.

Target countries: Mainly Low- and lower middle-income countries world-wide, including fragile states.

Size: US$33 million (including a 7 percent IMF trust fund management fee).

Duration: Five years (FY2019-24).

Modules

M1 — Addressing Data Needs and Quality Concerns
- Help countries compile and disseminate data to support policy analysis, formulation, and detect economic risks and vulnerabilities.
- Bring more and better data into the public domain, thus enhancing transparency and accountability.
- Offer technical advice on enhancing source data and promoting higher-frequency data.

Submodules:
Real Sector Statistics

External Sector Statistics

Government Finance Statistics

M2 — Financial Access Survey (FAS)
- Provide policymakers and analysts with high-quality statistics in this unique financial inclusion database covering 189 economies http://data.imf.org/fas
- Improve and expand FAS to new areas, such as new access points, gender-disaggregated statistics, and costs of financial access.
- Provide monitoring basis for SDG financial inclusion indicator.

Sustain and expand the FAS

M3 — Online Learning
- Develop a new structured online learning curriculum to exponentially enhance reach of statistics training.
- Offer online learning to allow truly global delivery.
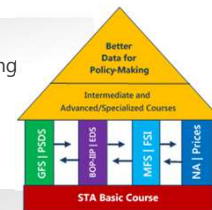
Develop eight fundamental statistics courses **(English and up to five other languages)**

M4 — Statistical Information Management
- Develop advice to help statistical offices, central banks, and ministries to streamline, standardize, and automate their data management practices and infrastructure.
- Enhance countries' ability to compile and disseminate macroeconomic and financial statistics.

Provide advice on statistical information management practices and related technical environments

Thank you

D4D Fund
Second
Steering Committee