



COMPARABILITY OF GOVERNMENT DEBT DATA: TAKING IT ONE STEP FURTHER?

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Improving international consistency

- Alignment of international standards (e.g. SNA 2008, BPM6, GFS Manual, etc.)
 - Alignment of templates for international data collection
 - Cooperation on data processing and validation
 - Alignment of tools for data exchange (SDMX)
- ⇒ Reducing respondent burden of countries
- ⇒ Improving efficiency across international organisations
- ⇒ Improving consistency of data internationally published



But is it enough?

- Various initiatives have been put into place, which most certainly will improve the situation
- Time-consuming process with many issues to be solved down the road
- But is it enough?

- Example of two policy relevant and politically sensitive headline indicators:
 - General Government Deficit as % of GDP
 - General Government Debt as % of GDP



Comparison

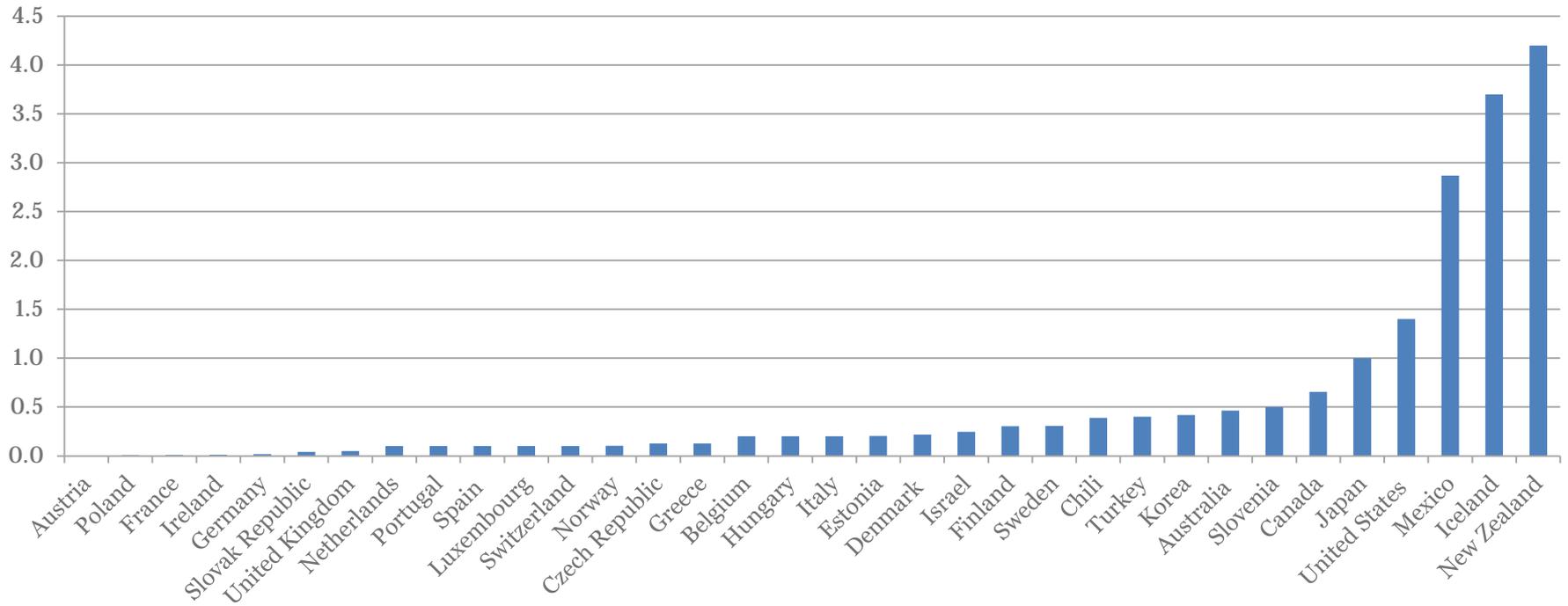
A reasonably sophisticated user has taken a look at various sources:

- Eurostat, Tables on Government Finance
- IMF, Government Finance Statistics (market value and face value)
- IMF, World Economic Outlook
- OECD, National Accounts at a Glance
- OECD, Economic Outlook



Government Deficit 2010

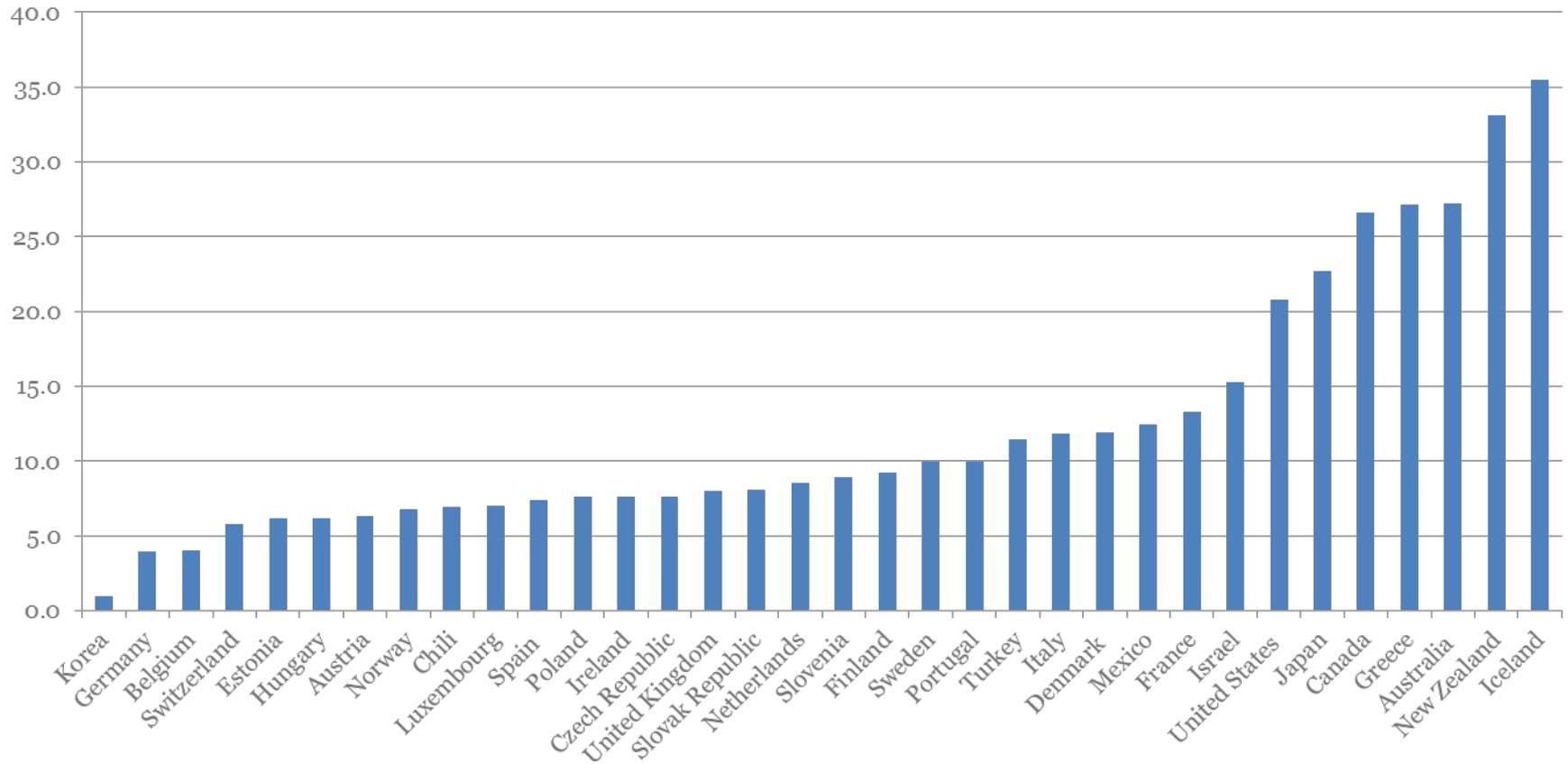
Differences between highest and lowest result, in %-points of GDP





Government Debt 2010

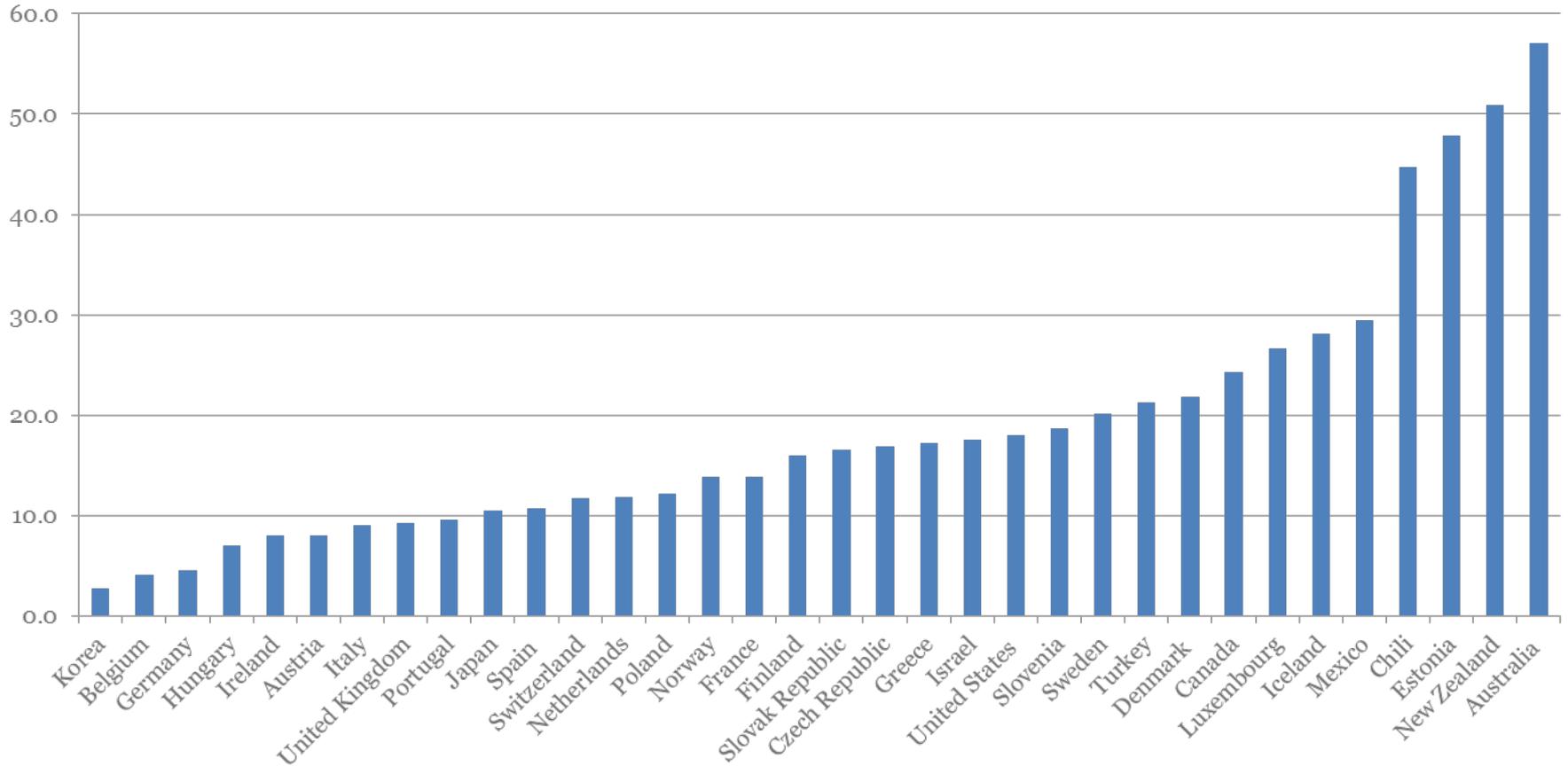
Differences between highest and lowest result, in %-points of GDP





Government Debt 2010

Differences between highest and lowest result, as % of the highest





Taking a closer look at government debt

- Major differences in definition of debt (not always that well documented):
 - All liabilities excluding unfunded pension liabilities
 - All liabilities excluding shares and financial derivatives
 - Currency and deposits, securities other than shares and loans
- Differences in valuation: market value, nominal value and face value (may be important for some countries, with major changes over time of market interest rate on government securities)
- Other differences (differences in sources, lack of alignment to international standards, sometimes even differences due to reporting agency)



How to improve the situation?

- Better international alignment of definitions and dissemination of certain indicators
- Dissemination of data according to various definitions/coverages in the Public Sector Debt Database:
 - D1: Loans and securities
 - D2: D1 + SDRs + Currency and deposits
 - D2A: Regional definitions (e.g. Maastricht Debt)
 - D3: D2 + Other accounts payable
 - D4: D3 + Insurance, pension and standardized guarantee schemes



How to improve the situation?

- More generally, need to include much better metadata:
 - Especially for the most frequently used and debated indicators
 - Inclusion of information on divergence from international standard definition
- Discussion with countries on remaining unexplainable differences, and on dissemination of indicators
- Need for additional indicators on Net Government Debt and for additional data on contingent liabilities
- Finally, need for more “story-telling” on the interpretation of government debt data (e.g. the impact of differences in pension arrangements across countries)



Thank you for your attention!