



STATISTICS

GFSAC-19/03

September 12-13, 2019

Meeting of the IMF Government Finance Statistics

Advisory Committee

Washington, D.C.

Role of Quality Fiscal Statistics for Surveillance and Program Monitoring

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**AFRICAN
DEPARTMENT**

Role of Quality Fiscal Statistics for Surveillance and Program Monitoring

SEPTEMBER 12, 2019

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Outline

- User perspective
- Backdrop for GFS in sub-Saharan Africa
- Examples from the field
- Questions for discussion



User perspective

- Myself: IMF economist and user of fiscal data, as mission chief for Guinea-Bissau and in other assignments in Africa.
 - ▶ Fiscal data go to the very heart of what we do at the IMF
 - ▶ Especially relevant in program context
 - ▶ Good, timely data critical
 - ▶ Particular challenges in low-income countries with limited statistical capacity
- Focus on LICs but applicable elsewhere as well



Backdrop for GFS in sub-Saharan Africa

- Rising debt levels in region
 - ▶ On average public debt has over the last five years increased by about 20 percent of GDP to close to 60 percent
 - ▶ Median interest rate payments now at 10 percent of government revenue, a doubling since 2011
 - ▶ Impact of the 2015-16 commodity price slump was severe; output losses commensurate to advanced countries in wake of the GFC
 - ▶ Region has seen significant advances in development outcomes
- Appropriate policy response depends on careful analysis and, critically, good government finance statistics



Examples from the field

- Guinea Bissau, ECF

- ▶ **Program target for social and priority poverty-related spending.** A key program objective

- ◆ Defined as spending by health, education, and the gender ministries

- ◆ Conceptual challenge in coverage. Practical challenge in obtaining reliable data in context of fractured PFM system with weak central oversight

- ▶ **Strengthening debt statistics.** Critical to maintaining debt sustainability while addressing pressing spending needs

- ◆ Hidden debts; pre-HIPC debts; domestic arrears; SOE contingent liabilities

- ◆ Need to strengthen accuracy and coverage of debt statistics



Examples from the field (continued)

- Ghana, ECF

- ▶ **Significant discrepancy** between fiscal balance measured above and below the line
- ▶ Differences in coverage and source data, inconsistent use of cash versus accrual, timing of certain transactions

- Takeaways

- ▶ We often need to make do with what's possible; waiting for perfect is not an option
- ▶ IMF TA can make a big difference
- ▶ A fundamental obstacle remains that statistics compilation is often not given adequate resources

Questions for discussion

1. Faced with tight timelines and need for answers, how to balance timeliness and availability with quality and comprehensiveness of data?
2. How to gradually move closer to best-practice statistics compilation while still getting the job done in the interim? Are duplicate datasets avoidable?

And more specifically for LICs

3. How can development partners encourage low-income countries to devote more resources to statistics compilation?
4. Should low-income countries model their data collection and dissemination methods on advanced countries, or are other methods more appropriate?

Thank you!