

2016



# STATISTICS DEPARTMENT AT A GLANCE



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## A MESSAGE FROM THE DIRECTOR



It is my great pleasure to present to you the overview of our activities in this new edition of *Statistics Department at a Glance, 2016* and the progress achieved to date. Last year, I indicated that our new vision stresses the importance for the Department to play a greater leading role in data management and data dissemination and to provide results-based capacity development to its membership. I am happy to report this year that major progress has been made to revamp our tools and advance our work on methodology, data standards, data for surveillance, and capacity development.

The initiative on the re-engineering of our data processes and tools is nearing completion, with the migration of all the subject-matter databases to the standard IMF data platform and implementation of the internal dissemination platform which gives IMF economists access to our data. Under the guiding principle of “report once and only once,” efforts have been made to reduce duplication and the response burden imposed to our membership. This year, the Department has eliminated the surveys on *Instrument Classification of Foreign Exchange Reserves*, as the data are now collected in the framework of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*. In collaboration with the Food and Agricultural Organization (FAO), the International Labor Organization (ILO) and the Organization for Economic Cooperation and Development (OECD), we have implemented a new consumer price index (CPI) survey, consolidating the information needs and data collection of these agencies, thus also reducing countries’ reporting burdens.

On the methodology front, the Department has continued to provide rigorous advice on international concepts and standards directly to member countries and through the research agenda of international committees and working groups. This year, it also provided advice to the IMF, in particular to the Strategy, Policy and Review Department and the Asia and Pacific Department, as well as to the membership as a whole on the statistical concept of reserve currency related to the inclusion of the Renminbi in the basket of currencies of the Special Drawing Rights. The Department also brought the first phase of the G-20 Data Gaps Initiative (DGI) to its conclusion and launched the second phase of the DGI, focusing on the implementation of new statistical series and indicators.



Staff of the Statistics Department (STA)



STA senior staff (from left to right): Florina Tanase, Rainer Koehler, Johannes Mueller, Ethan Weisman, José Roberto Rosales, Andreas Hake, Louis Marc Ducharme, Carlos Sánchez-Muñoz, He Qi, Laurence Allain, Gabriel Quirós, Luca Errico, Claudia Dziobek, and Robert York.

Progress has been made on the implementation of our three data standards. Three new countries (Bulgaria, the Czech Republic, and Japan) have adhered to the Special Data Dissemination Standard Plus (SDDS Plus). China and Sri Lanka subscribed to the Special Data Dissemination Standard (SDDS), and six countries (Botswana, Honduras, Lesotho, Namibia, Nigeria, and Zambia) disseminated data under the new enhanced General Data Dissemination System (e-GDDS).

On capacity development (CD), the Department has prioritized its activities to respond better to the needs of its membership, placing more emphasis on the achievement of outcome of our interventions. In this respect, we have pioneered in introducing a new Results-Based Management (RBM) Framework as a tool to help guide us to focus our activities based on achievable outcomes, and not just on inputs. Again this year, our technical assistance (TA) activities have benefitted from the generous support of our donor partners who are fully committed to improving statistical information in our member countries. The Department has successfully expanded its cooperation to new partners and is moving toward the creation of thematic multi-partner vehicles in order to increase the flexibility we need to fulfill a growing demand for statistics CD from different regions, and in newly emerging topical areas.

This year, the Department stepped up its outreach in order to raise awareness of statistical issues, especially as a backbone for informed economic decision-making. This included innovative initiatives, such as the organization of the Third IMF Statistical Forum on “Official Statistics to Support Evidence Based Economic Policymaking,” co-hosted with the Deutsche

Bundesbank in Frankfurt, and the first statistical conference in Africa on “Enhanced Data for Better Macro Policies,” which was held in Accra, Ghana and co-organized with the Government of Ghana and the United Kingdom Department for International Development (DFID). Both events were attended by IMF management.

While it is not possible in a foreword to account for all the accomplishments and innovations that have taken place in the past year, I would like to highlight that all our achievements summarized in this new edition of *Statistics Department at a Glance, 2016* are the results of the dedication and the commitment of more than 180 headquarter-based colleagues of diverse backgrounds and over 100 statistical experts around the world. I would like to take this opportunity to thank Carol Baker, who moved to another department of the Fund, as well as Luca Errico and Manik Shrestha, who are retiring before the end of this year. All three have made substantial contributions to the Department. I would also like to warmly welcome Laurence Allain, Gabriel Quirós, Carlos Sánchez-Muñoz, Florina Tanase, and Patricia Tumbarello, who joined the management team this year. Together we will continue to make the Department a place of innovation and excellence.



Louis Marc Ducharme  
Director  
Statistics Department  
International Monetary Fund



## OVERVIEW

### Keeping STA Reorientation in Full Swing and Responding to New Challenges

**STA continues to align itself with the IMF's changing policy priorities and member country needs while reaffirming its leadership as an international standard setter.** As the Department celebrates its 25<sup>th</sup> anniversary this year, it has become a firmly established contributor to implement the IMF Managing Director's Global Policy Agenda. Consistent with the agenda, STA has continued to place strong emphasis on addressing data gaps and enhancing data quality and dissemination to support the IMF's multilateral and bilateral surveillance. This includes the launch of the second phase of the DGI and successful first achievements in implementing the e-GDDS. It has also entailed developing new work streams on balance sheets and sectoral interconnectedness and on mainstreaming macro-financial surveillance so as to help countries identify economic risks and vulnerabilities. These new focus areas were also motivated by the IMF's 2015 Triennial Surveillance Review and the November 2015 meeting of the IMF's Committee on Capacity Building, and prompted STA to begin conceptual work on new multi-donor trust funds to help finance CD activities to support financial sector stability and address data gaps, especially in low- and middle-income countries, including also fragile states.

**STA has also stood ready to help the IMF address other new challenges.** Among other things, STA is bringing more and more data into the public domain, helped also by the Free Data initiative launched last year and the overhaul of the IMF's external data page to make it more intuitive and user-friendly. STA is also supporting efforts to enhance the role of the SDR, including with respect to reporting country data. In addition, the Department is playing a pivotal role in

supporting global efforts to help create a monitoring framework for the Sustainable Development Goals (SDGs) indicators whereby the IMF will contribute some of its databases to the new indicator framework. Moreover, STA is helping countries in their domestic revenue mobilization efforts, in line with the Addis Ababa Financing for Development agenda. In this area, STA's focus has been on fostering transparency through better fiscal data, such as by developing and applying a new template to capture the revenue streams from natural resources and, in cooperation with the IMF's Fiscal Affairs Department, in providing CD to countries under a newly created Revenue Mobilization Trust Fund.



### Seeking Opportunities for Innovation

**Innovativeness is a hallmark of the Department.** Among other things, STA has ventured into such areas as the use of micro data, big data, and the digital economy where conceptual work is underway, partially triggered by the 2015 and 2016 IMF Statistical Forum themes. The Department is continuously revisiting its product mix in response to user needs, including with

the launch of new TA and training in areas such as the balancesheet approach, sectoral accounts, residential property price indices, the venturing into online learning and developing training courses for IMF economists, and the calibration of special training courses based on the differing capacities of country officials from developing and advanced economies. STA is also spearheading efforts in the IMF to introduce a RBM Framework to better prioritize, plan, and

monitor the impact of its CD activities, with all country engagements under new externally funded projects to be fully entered into the RBM by April 2017. In the methodological area, STA is pursuing new approaches to streamline guidance and introduce concrete practical focus in its update of Manuals and Guides, such as the ongoing update of the *Financial Soundness Indicators (FSI) Compilation Guide* and the *Update of the Consumer Price Index Manual*.

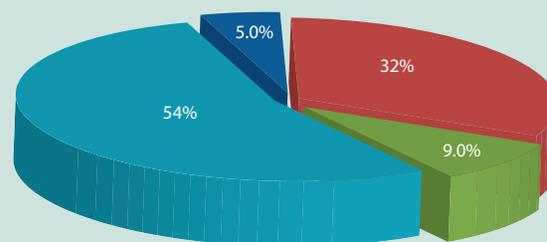
## STA MANDATE AND ORGANIZATION

**In implementing the work program, STA has been guided by its new mandate adopted in May 2014.** It lays out STA’s commitment to provide global leadership on macroeconomic and financial statistics and to employ our analytical, policy, and operational work to advance the international statistical agenda and contribute to carrying out the IMF’s mandate and core functions in three key areas:

- Multilateral, bilateral and financial sector surveillance and use of Fund resources:** STA gathers and analyzes macroeconomic and financial statistics underpinning IMF multilateral, bilateral and financial sector surveillance and use of Fund resources, identifying and addressing data gaps and quality deficiencies, and promoting best practices in the dissemination and communication of macroeconomic and financial statistics;
- Global economic policy advice:** STA plays a central role in the analytical development, drafting, and promotion of internationally-accepted statistical standards and methodologies, and works with statistical standards bodies to address the data needs of policymakers; and
- Capacity building:** STA provides TA and training to countries, enhancing their capabilities to produce macroeconomic and financial statistics consistent with international statistical standards and to disseminate internationally comparable macroeconomic and financial statistics.

**Each of STA’s three Deputy Directors supervises one of these three pillars.** The Department places emphasis on coordination across pillars and work streams to achieve its objectives. More than 180 staff and contractuels at IMF headquarters and numerous experts employed around the world are dedicated to implementing STA’s work program. The Department’s organization is centered along four topical divisions—external sector, financial institutions, government finance, and real sector—featured in separate sections below; and three cross-cutting divisions focusing on strategy, standards, and reviews, statistical information management, and resource management.

**STA FY2016 Spending by Key Outputs**



## Being Agile, Integrative and Member-focused (AIM)

In all these undertakings, STA is fully dedicated to the IMF's AIM approach. This entails being agile (A), more integrative (I), and member-focused (M). The continuous feedback from the Department's external (e.g., countries, data users, international partners) and internal (especially IMF area departments) clients is impor-

tant to ensure that STA's work will continue to evolve in light of changing priorities and needs. In this regard, major impetus is also expected from the implementation plan in response to the recommendations of the IMF's Independent Evaluation Office in its report on *Behind the Scenes with Data at the IMF*, <https://www.imf.org/ieo/pages/CompletedEvaluation261.aspx> which was discussed by the IMF Executive Board in March 2016.

## IMF STATISTICAL FORUM 2015

The Third IMF Statistical Forum—co-hosted with the Deutsche Bundesbank—took place in Frankfurt during November 19–20, 2015. It focused on “Official Statistics to Support Evidence-Based Economic Policymaking,” with the former Chief Economist of the European Central Bank (ECB), Otmar Issing, as its keynote speaker. It brought together data providers, users, and policymakers to discuss cutting-edge statistical issues. Participants appreciated the high-level discussion of issues confronting statisticians, including

the challenges of “big data” and demands for “micro data.” They agreed that these complement official statistics in supplying more granular data and timely views in fast changing economic circumstances. However, there was consensus that official statistics will remain the gold standard in a growing cascade of internet-driven information.

The next IMF Statistical Forum will be held in Washington, D.C., during November 17–18, 2016.



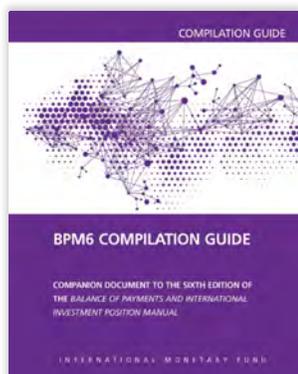
Roundtable discussion chaired by Min Zhu, Deputy Managing Director  
Photo courtesy of Frank Rumpenhorst, Deutsche Bundesbank



# METHODOLOGY

## Preserving Leadership on International Statistical Standards

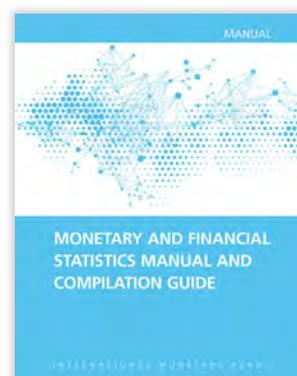
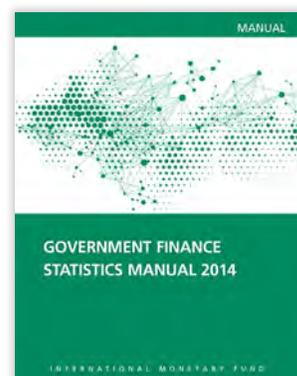
STA plays a leadership role in the international statistical community in the development and promotion of internationally accepted statistical methodologies. This work stream aims to foster the availability of high-quality, consistent, and comparable macroeconomic and financial data that facilitate and enhance the quality of cross-country analysis and inform policy making. The IMF's expertise rests primarily in the areas of national accounts, prices, government finance statistics (GFS), monetary and financial statistics (MFS), financial soundness indicators, securities statistics, and balance of payments and other external statistics. The IMF's statistical methodologies are harmonized with the principles of the *System of National Accounts 2008 (2008 SNA)* and the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*. They also underpin the IMF's data standards.



The update of the *2008 SNA* and *BPM6* over the last few years resulted in a need to bring up to date other manuals and guides. To this end, in March 2015, STA published the *Government Finance Statistics Manual 2014 (GFSM 2014)*. Two months later, the *Handbook on Securities Statistics*, produced jointly with the Bank for International

Settlement (BIS) and European Central Bank (ECB), was issued, supporting one of the recommendations of the G-20 DGI. In March 2016, STA also released the pre-publication version of the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)* that reflects

recent developments in financial markets and aligns the MFS with the *2008 SNA*, the *BPM6*, and the *GFSM 2014*. The Department is also reviewing the *FSI Compilation Guide*—to reflect developments and innovation in the financial sector—and continuously adjusts the methodology underlying the Financial Access Survey (FAS), the most comprehensive source of data on financial inclusion; as the latest innovation, STA is piloting the inclusion of gender statistics into the FAS. In addition, STA is about to complete the update of the *Quarterly National Accounts Manual*, with draft chapters having been posted for comments on the IMF's external website (<http://www.imf.org/external/pubs/ft/qna>), and work has been launched on the update of the *CPI Manual*, in cooperation with our international partners. Finally, two guides for users to support implementation of the SDDS and SDDS Plus under the IMF's data standards initiatives have been posted on the Data Standards Bulletin Board (DSBB) at <http://dsbb.imf.org>, with a similar guide for e-GDDS participants and users expected to be published later in 2016.



## Responding to New Policy Needs

Apart from its leadership in traditional domains, STA also brings in its expertise in newly emerging areas. Considering that more than one-third of the IMF member countries are endowed

with natural resources, STA has embarked on developing guidance for member countries on how to measure this wealth and related flows and reflect them in countries' official statistics, thereby enhancing transparency and informing economic decision-making. To this end, STA has developed a natural resource revenue template to capture the revenue streams consistent with the *GFSM 2014* classification, which was adopted by the Extractive Industries Transparency Initiative (EITI) as a reporting requirement for its member countries; an IMF Board paper planned for later this year will highlight the underlying methodology and the successful completion of six pilot cases. In the same vein, STA developed a *Guide to Analyze Natural Resources in the National Accounts*, which is currently undergoing consultations with relevant stakeholders and piloting in several countries. Other areas where STA is currently undertaking conceptual work and developing guidance material—often conjointly with international partners—include balancesheet analysis,

sectoral accounts, real estate price indices, debt statistics, and pensions. Finally, STA is also revisiting the methodology and algorithms underlying the Direction of Trade Statistics (DOT)—the most used IMF database—and assessing the relevance of big data for macroeconomic and financial statistics.

## Fostering Global Cooperation

**The G-20 DGI is a prime example of how sustained international cooperation can address policy-relevant data gaps.** After a successful first five-year run that centered on bringing partners on the same methodological footing to help capture the build-up of risks in the financial sector, cross-border financial linkages, and the vulnerability of domestic economies to shocks, the DGI's second phase is now focusing on enhancing the compilation and dissemination of reliable and timely statistics for policy use among the G-20 economies.

## THE G-20 DATA GAPS INITIATIVE (DGI)—LAUNCH OF THE SECOND PHASE

**Conclusion of the First Phase of the DGI.** The G-20 DGI was launched in 2009 as a joint initiative of the IMF and the Financial Stability Board (FSB) to close the most policy-relevant data gaps revealed by the 2008/09 global economic and financial crisis. This first phase of the DGI encompassed 20 recommendations aimed to enhance existing statistical frameworks and foster the development of new ones. Six years later, after substantial conceptual work for all 20 recommendations and significant progress achieved in the implementation of many of the recommendations, the first phase of the project was successfully concluded.

**Launch of the Second Phase of the DGI.** In September 2015, the G-20 Finance Ministers and Central Bank Governors endorsed the second phase of the DGI (DGI-2). While DGI-2 mostly represents the continuation of DGI-1, its main focus is on the actual compilation and dissemination of reliable and timely statistics fit for policy use, and comparable across the G-20 economies. DGI-2 also takes into

account the evolving policy needs at national and international levels. DGI-2 aims to strengthen the links with existing global initiatives, in particular the SDDS Plus.

**Recent Developments and the Way Forward.** During the first half of 2016, extensive consultations with the G-20 economies took place: four regional conferences (in Brazil, Italy, Korea, and Russia), a thematic meeting on securities statistics (in Germany), and a global conference in June 2016 (in Switzerland) that brought together the results of the preceding events. The discussions have confirmed the overall commitments of the G-20 economies to the DGI-2 while clarifying differences in implementation across regions, economies, and specific recommendations based on national circumstances. In the coming months, workshops will be organized, focusing on high-priority immediate work areas of the DGI-2, including sectoral accounts, financial soundness indicators, and data sharing.

**STA has drafted, or contributed to, a wide range of IMF Board papers and research papers (See Publications).** The large number of Board papers has touched upon the full breadth of STA's work and illustrates the many dimensions of how the Department interacts with the rest of the IMF. The Board papers included those on the IMF quota formula, the review and valuation of the SDR, and the use of balance-sheet analysis in IMF surveillance. The IMF Executive Board also approved the new e-GDDS in July 2015, following its discussion of the Ninth Review of the Data Dissemination Standards in May. In addition, STA published the Reports on meetings of the Committee on Balance of Payments Statistics (BOPCOM) and the Government Finance Statistics Advisory Committee (GFSAC). On research, STA recently adopted a new governance structure to ensure that analytical work is consistent with its strategy and divisional resources.

**STA plays an active role in international fora to promote cooperation across statistical agencies and sound statistical practices.** Among other things, STA (i) chairs the Inter-Agency Group on Economic and Financial Statistics, BOPCOM, GFSAC, the Task Force on Finance Statistics, and the Inter-Secretariat Working Group on National Accounts; (ii) participates in the Committee for the Coordination of Statistical Activities; (iii) collaborates with the World Bank on the International Comparisons Program; (iv) participates in meetings of the United Nations Statistical Commission and other committees and task forces organized by the United Nations, BIS, ECB, Eurostat, OECD, and Paris21; (v) collaborates with international bodies such as the International Public Sector Accounting Standards Board (IPSAS) and regional bodies in building capacity for official statistics, such as Arab-Stat and GCC-Stat.



Regional Conference on the G-20 Data Gaps Initiative (DGI) Rio de Janeiro, Brazil, February 2016



# DATA AND SURVEILLANCE

## Making Data Available to Users

STA is constantly striving to meet the needs of external and internal data users. In January 2015, STA's data have been made freely available to all, which has by this year led to a 40 percent increase in monthly traffic. The datasets with unrestricted access are the *International Financial Statistics (IFS)*; various external sector statistics; GFS, and the Direction of Trade Statistics. It is intended that the IMF's online free data program expands usage and facilitates greater transparency.

To support the Free Data Initiative, STA recently introduced technological improvements, including in particular a new online dissemination platform. The new portal, at <https://data.imf.org>, is now the point of entry for cross-country macroeconomic and financial data, and hosts data from other data-producing departments in the IMF. To serve its users better, STA has been constantly updating and improving the portals on the basis of the collected feedback.

STA also works toward making its data more accessible and useful to IMF area department country teams. Leveraging the area departments' recent migration effort to structured databases, STA is providing tools that facilitate access to data by country desks. These data include the Integrated Monetary Database and the Integrated Government Finance Database, which aim to increasingly integrate STA's data into core Fund activities.

STA launched new ways to support IMF member countries. Among other things, the role of STA Regional Manager Teams and Country Coordinators was strengthened, with a view to advising area department teams on statistical issues and data gaps in their work, enhancing the use of STA databases, promoting data dissemination by countries, and helping identify capacity development needs.

The screenshot shows the IMF Data website interface. At the top, there is a navigation bar with the IMF logo and the text 'INTERNATIONAL MONETARY FUND'. Below this, there are links for 'IMF.ORG', 'E-LIBRARY', 'BOOKSTORE', 'AREAS', 'DATASETS', 'DATA TOPICS', and 'HELP'. The main header reads 'IMF DATA ACCESS TO MACROECONOMIC & FINANCIAL DATA'. A search bar is located on the right side of the header. The main content area features a featured article titled 'Regional Economic Outlook: Asia and Pacific (APD REO)' with a 'Data Updated' indicator. To the right of this article is a 'Featured Data' section with links to 'World Economic Outlook', 'International Financial Statistics', 'Global Financial Stability Report', 'Fiscal Monitor', and 'Regional Outlooks'. Below the featured article, there are three main sections: 'Data by Country/Economy' with a 'Predefined Data Tables by Country' dropdown menu; 'Data by Indicator' with a 'Key Indicators in Predefined Data Tables' dropdown menu; and 'Popular Datasets' with a list of datasets including 'Balance of Payments and International Investment Position', 'Coordinated Direct Investment Survey', 'Coordinated Portfolio Investment Survey', 'Currency Composition of Official Foreign Exchange Reserves', 'Direction of Trade Statistics', 'Financial Access Survey', 'Financial Soundness Indicators', 'Government Finance Statistics', 'International Financial Statistics', 'International Reserves and Foreign Currency Liquidity', 'Monetary and Financial Statistics', and 'Primary Commodity Prices'. There is also a 'Data Release Calendar' section with a 'Data Release Calendar' button. Below this, there are sections for 'Publications' (PDF version of the latest IMF data publications), 'Download IMF Data' (Bulk Download or Application Programming Interface (API) for all published IMF Data by Dataset), and 'Work with IMF Data' (IMF Data Workbooks: View, analyze, save, and export data). At the bottom right, there is a 'World GDP percent change' chart showing data from 2006 to 2014.

## Enhancing Data Standards

The IMF's Data Standards Initiatives are designed to promote the dissemination of timely and comprehensive statistics. The data standards have almost universal coverage and are intended to contribute to the formulation of sound macroeconomic policies and the efficient functioning of financial markets. There currently are three tiers under the Initiatives:

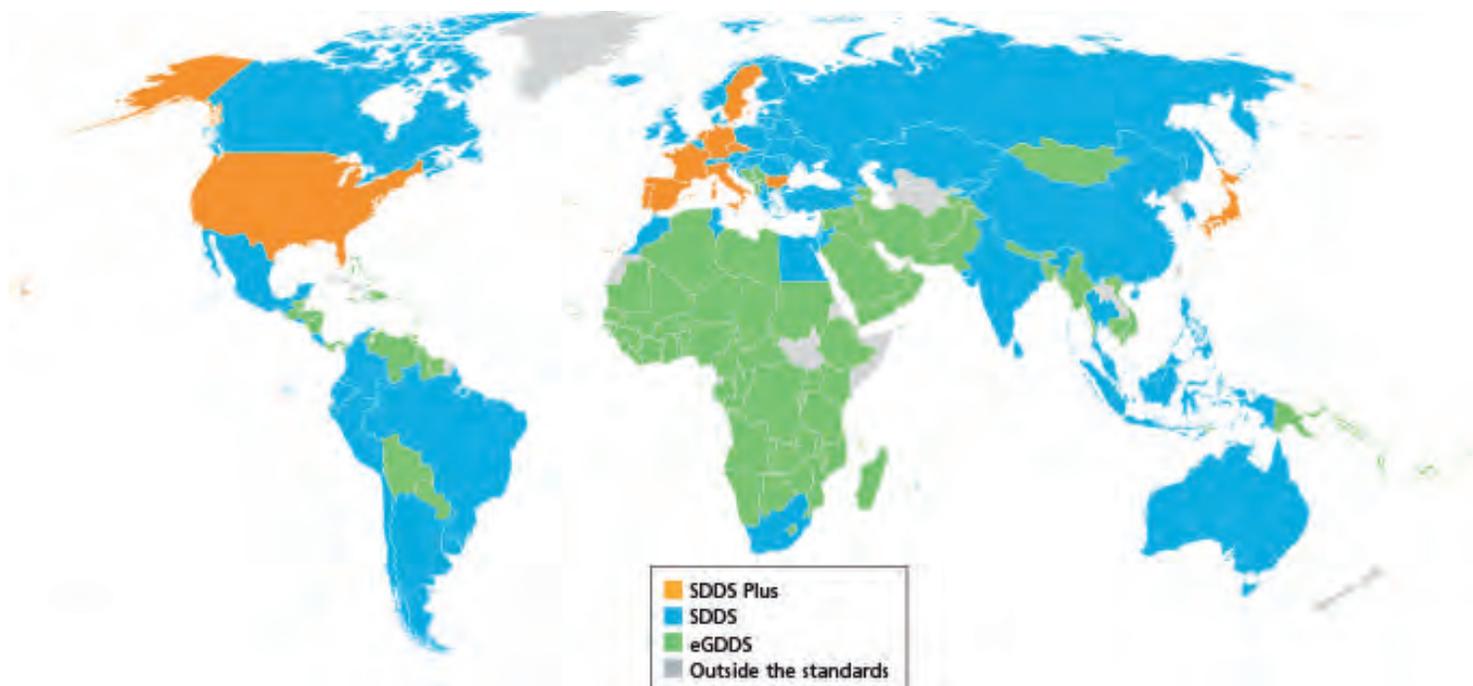
- The **SDDS** was established in 1996 to guide members that have, or that might seek, access to international capital markets in providing their economic and financial data to the public (64 countries, with China and Sri Lanka subscribing this year).
- The **GDDS** was created in 1997 to guide countries in providing to the public comprehensive, accessible, timely, and reliable economic, financial, and socio-demographic data (110 countries). The **e-GDDS** approved in July 2015 by the IMF Executive Board further emphasizes the data dissemination aspect under the Initiative.
- The **SDDS Plus**, created in 2012 as the third and highest tier of the IMF's Data Standards

Initiatives, aims to help address data gaps identified during the global financial crisis, including in the context of the G-20 DGI (11 countries, of which Bulgaria, the Czech Republic, and Japan joined this year).

## Lowering Countries' Reporting Burden

The reinvigoration of data standards has opened up opportunities to lower countries' reporting burden. Both the e-GDDS and SDDS Plus are based on publicly disseminating data using the internationally agreed standard for Statistical Data and Metadata eXchange (SDMX), via countries' National Summary Data Page (NSDP). Once data are available on the NSDP, international and regional organizations, as well as public users, can access macroeconomic and financial data, as well as other data at each country's choosing, as soon as they are disseminated by the country authorities. This eliminates the need for countries to report data to individual agencies or on many different reporting templates. As of June 2016, 17 countries (11 SDDS Plus and 6 e-GDDS) have adopted SDMX dissemination via their NSDP, with rapid expansion planned for the coming year.

Participation in Data Standards Initiatives (as of July 2016)



## THE FIRST WAVE OF THE E-GDDS IMPLEMENTATION

Botswana, Honduras, Lesotho, Namibia, Nigeria, and Zambia have been the first countries to implement the e-GDDS. Taking advantage of the tools and capacity development offered by STA, countries have improved access to data by establishing the NSDP, a centralized “data hub” for macroeconomic and financial data, a key element in the implementation of e-GDDS. The e-GDDS emphasis is on data dissemination that will support transparency, encourage statistical development, and help create strong synergies between data dissemination and surveillance.

Dr. Yemi Kale, the Statistician-General of Nigeria, said at the NSDP launch in Abuja:

“This demonstrates the extent to which the National Statistical System has evolved with respect to the production and dissemination of accurate and reliable data. It also demonstrates the commitment of the National Bureau of Statistics in deepening its coordination role as custodian of Nigeria’s data bank and authoritative and one shop for data in Nigeria.”

Three donor-financed projects (UK-DFID, Japan, and Belgium) support implementation of the data standards initiatives, with a particular focus on supporting rollout of the e-GDDS framework in Africa and Asia.

The screenshot displays the 'OpenData for The National Bureau of Statistics, Nigeria' website. The main heading is 'National Summary Data Page (NSDP)'. Below this, there is a paragraph explaining that the data is linked to the International Monetary Fund's DSBB and the enhanced General Data Dissemination System. A navigation menu includes 'Home', 'Data Catalog', 'Gallery', and 'NSDP'. The 'Macroeconomic and Financial Data' section lists various data categories, each with three buttons: 'Browse Data', 'Download in SDMX', and 'DSBB Metadata'. The categories listed are: National Accounts (GDP), Consumer Price Index, General Government Operations, Central Government Operations, Central Government Gross Debt, Depository Corporations Survey, Central Bank Survey, Interest Rates, Stock Market, and Balance of Payments.

Category	Browse Data	Download in SDMX	DSBB Metadata
National Accounts (GDP)	Available	Available	Available
Consumer Price Index	Available	Available	Available
General Government Operations			
Central Government Operations	Available	Available	Available
Central Government Gross Debt	Available	Available	Available
Depository Corporations Survey	Available	Available	Available
Central Bank Survey	Available	Available	Available
Interest Rates	Available	Available	Available
Stock Market	Available	Available	Available
Balance of Payments	Available	Available	Available



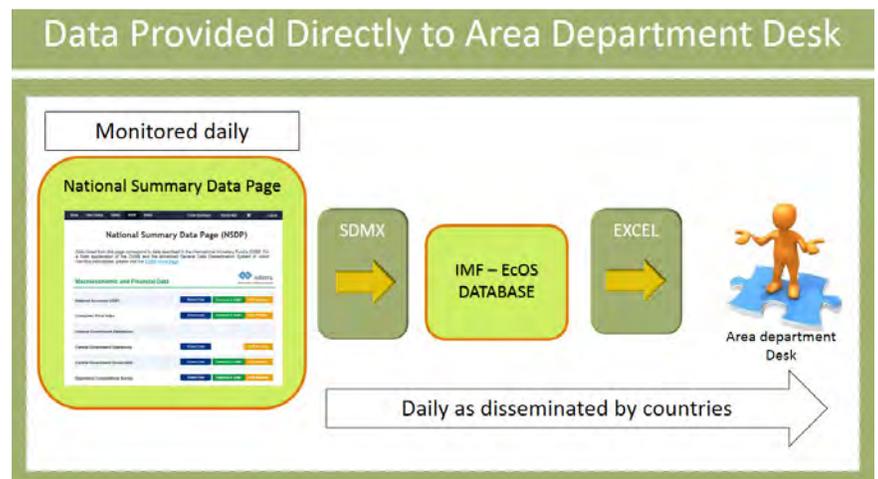
STA e-GDDS mission staff at the meeting with Nigerian officials

### Promoting Timeliness and Ease of Access

**Data gathering from the NSDP leads to improved timeliness.** Data are harvested at the moment they are disseminated by a country, and there is no wait time for completing data submissions to the IMF and other users.

**STA has been working with the African Development Bank to introduce Open Data Platforms (ODPs) for Africa.** This is intended to make it easier for countries to disseminate data. ODPs are the foundation for the e-GDDS dissemination approach on the continent, as it automates the creation of the NSDP, which in turn provides links to standard presentations of data recommended under the e-GDDS. The disseminated data are available to the public online in an easily readable form, and are published in

SDMX format, for the IMF and other organizations to consume. The NSDPs are monitored by STA on a daily basis for data updates. Using machine-to-machine data harvesting, data are quickly made available internally to all IMF users (see below). IMF economists can analyze the data in their work environment with quick access to the latest updates.



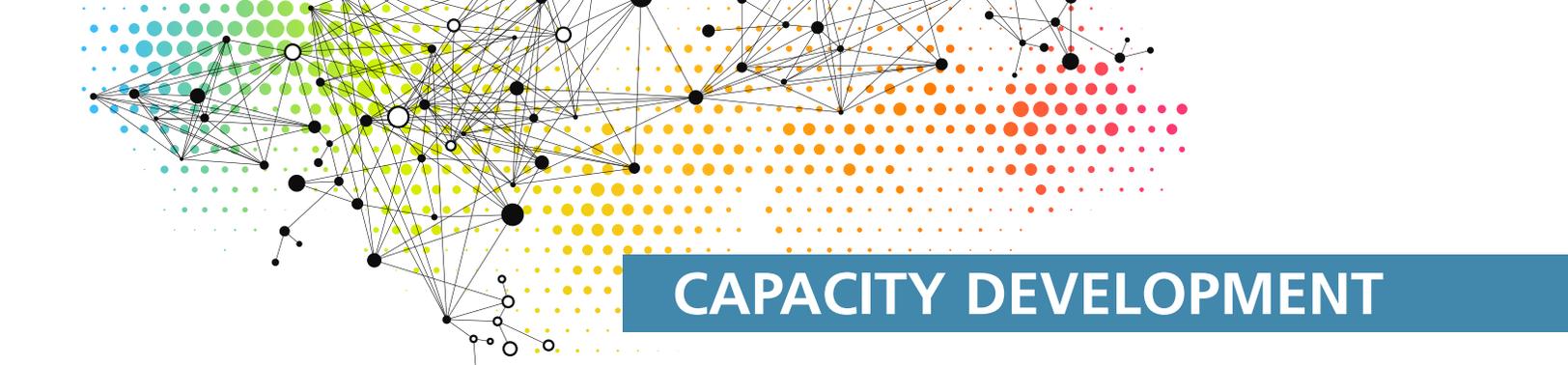
## Growing Collaboration to Reduce Duplication of Data Collection Efforts

**STA continues to work closely with other international organizations to expand the global availability of data.** At the same time, these efforts aim to reduce countries' reporting burden by eliminating duplication of data collection efforts. For example, in collaboration with the FAO and the ILO, STA initiated a new CPI survey to expand the content of existing price collections and replace similar data collections done by other agencies. Early in the survey development phase, the OECD joined the effort, and the agencies agreed on a dedicated allocation of countries (OECD collecting data for OECD countries and the IMF collecting data for the

rest of the world). The project has successfully increased the timeliness and level of detail of CPI data, while reducing countries' reporting burden. With considerable assistance from STA's network of Regional Technical Assistance Centers, STA has now received CPI submissions from 117 countries, which represents a significant improvement on the pre-collaboration environment.

**In the same vein, STA is working with Eurostat and the ECB to assist European countries to prepare for SDDS Plus adherence.** Staff in the two agencies are collaborating on providing countries with standard SDMX coding templates to speed development of SDMX dissemination across a range of data domains. This work will help increase the rate of adoption of SDDS Plus.





# CAPACITY DEVELOPMENT

## Substantially Expanding CD to Benefit IMF Member Countries

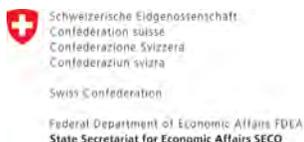
**Capacity Development**—the transfer of technical knowledge and best practices through TA and training—is one of the IMF’s core activities and is integrated with surveillance and lending operations. To address the rising demand for CD especially from low-income countries, as well as more advanced economies in the wake of the global financial crisis, the IMF has significantly increased delivery of CD in partnership with external partners. This is aimed to buttress countries’ capacities for policy analysis and economic decision-making.

**STA is one of the IMF’s functional departments that have primary responsibility for CD delivery.** Its CD focuses on strengthening countries’ capabilities to produce, compile, and disseminate macroeconomic and financial statistics consistent with international statistical standards and methodologies. In the process, STA aims to reap synergies by combining a mix of TA and training to the benefit of recipient countries. It also cooperates closely with regional institutions, as well as other TA providers and development partners in the field. STA’s Resource Management Division coordinates all of the CD activities of topical

divisions, which in the IMF’s Fiscal Year (FY) 2016 (from May 1, 2015 to April 30, 2016) comprised 563 TA and 120 training events.

## Leveraging Support from External Funding Partners

**Statistics CD activities have increased by about 70 percent during the last seven fiscal years.** External funding for the nine regional TA centers (RTACs)—five in Africa and one each in the Central America, the Caribbean, the Pacific, and the Middle East regions—three multi-donor trust funds, and several bilateral TA projects finance an increasingly large share of STA’s capacity-building efforts. STA’s major bilateral donors are the governments of Japan, the United Kingdom, Switzerland, Belgium, the Netherlands, and Kuwait. Over the years, STA has also benefitted from private financing through the Bill and Melinda Gates Foundation. Upon the launch of operations at the new South Asia Regional Training and Technical Assistance Center (SARTTAC) in India in early 2017, STA will also put in place a resident advisor and provide multi-topic CD to the six beneficiary countries (India, Bangladesh, Bhutan, Maldives, Nepal, and Sri Lanka).



South Sudan TTF



Somalia TTF



**The Department aims to increasingly venture into multi-partner vehicles (MPVs) to sustain its external funding base.** This already includes existing MPVs, such as the Managing Natural Resource Wealth Topical Trust Fund (MNRW TTF), the Revenue Mobilization TTF, and the Somalia and South Sudan Trust Funds. Conceptual work has begun on two new MPVs: the Financial Sector Stability TTF, with a view to promoting the compilation and dissemination of financial soundness indicators and the application of the balance-sheet approach to help low- and middle-income countries identify economic risks and vulnerabilities; and a new TTF to help address data gaps in those countries, in an effort to complement the G-20 DGI for advanced economies.

**STA offers advice in the following areas of macroeconomic and financial statistics:** national accounts, prices, external sector, monetary and financial, and government finance and public debt statistics, as well as on financial soundness indicators and data dissemination. The traditional focus of TA in macroeconomics statistics has been on low-income, fragile, and post-conflict countries. In the wake of the global financial crisis, TA has expanded to cover emerging and advanced economies as well.

**STA CD is being provided to more than 130 countries worldwide.** The large number of donor-financed projects and RTACs in Africa has resulted in the region steadily accounting for almost half of STA CD over the years. CD to other regions has fluctuated in light of several factors, including changes in demand, the launch of new topical projects, and security considerations.

**STA is the IMF's second-largest provider of training after the IMF Institute for Capacity Development (ICD).** STA's training program continues to be strengthened as a major vehicle for advancing the adoption of internationally accepted statistical methodologies, and bolstering the capacity of officials to handle the challenges of compiling and reporting macroeconomic statistics as a basis for their economic

decision-making. STA builds upon its partnership with ICD in order to maximize the delivery of STA training. STA delivers more than 30 courses each year at the ICD Regional Training Centers (RTCs). STA also delivers seminars and workshops through RTACs and in other locations (noninstitute (NI) training) to ensure a balanced delivery of training in all regions. The NI seminars and workshops intend to address specific needs and are often delivered to a subset of countries that are facing similar challenges. This flexible approach allows STA to offer training in a manner that is simultaneously consistent, adaptive, and pragmatic. Apart from country officials, STA has also developed a structured statistics curriculum for IMF economists and is now beginning to create online learning modules that could potentially transfer statistics knowledge to a broader group of beneficiaries around the world.

### **Enhancing CD Prioritization, Outreach, and Outcome Focus**

**STA has launched an array of reforms to provide better CD to countries.** Among other things, the Department has modernized its CD governance structure, developed country statistical scorecards, and stepped up engagement with IMF area department country teams in an effort to enhance CD decision-making. It is also piloting a new approach to CD documentation, with a view to enhancing the outcome focus of TA reports and mainstreaming their content to make the often very technical reports more accessible to senior decision-makers. Together with other IMF functional departments, STA is also stepping up its CD outreach based on a new departmental outreach strategy finalized at end-2015, recognizing among other things that the important impact of CD is often underappreciated. In this vein, STA organized one of the largest regional conferences ever in Africa on the importance of data for better macroeconomic policies held in Accra, Ghana in February 2016.

**A new RBM Framework is under implementation.** In FY2016, STA completed a catalog of standardized objectives, results, and related

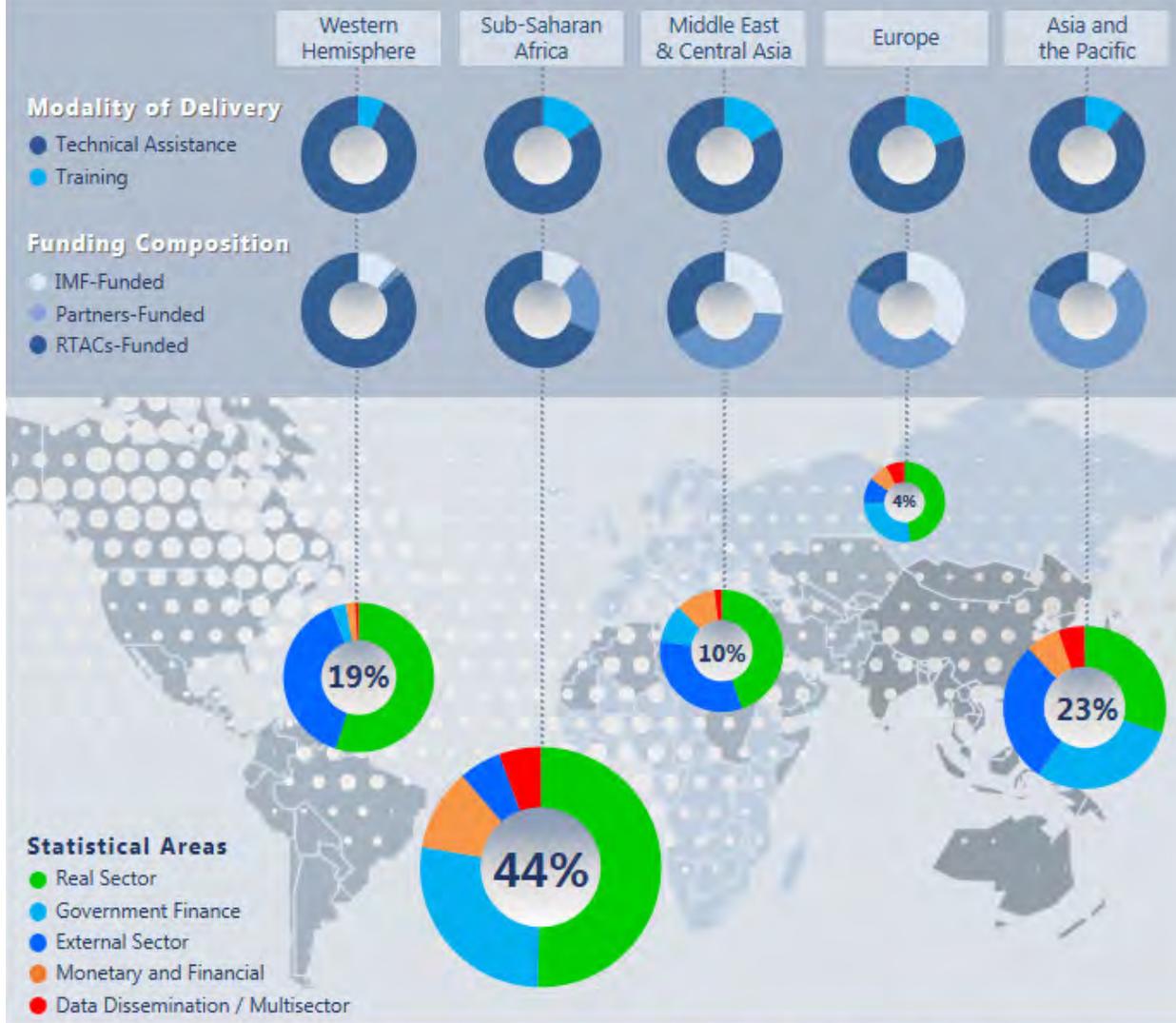


# CAPACITY DEVELOPMENT STATISTICAL AREAS AT A GLANCE

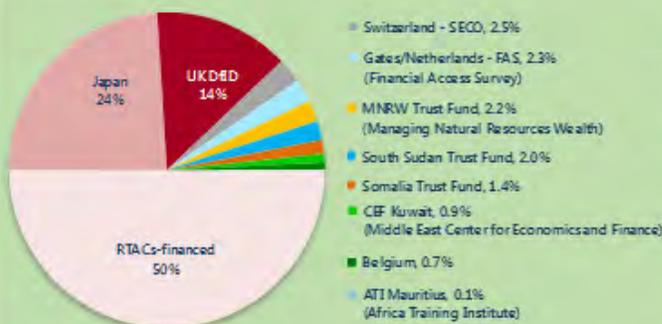
## FY2016

From May 1, 2015 to April 30, 2016

### Share of Regional Allocation in Field Time Delivery

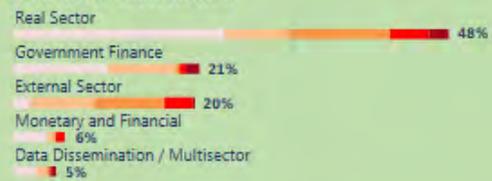


### Share of External Funding in US dollars

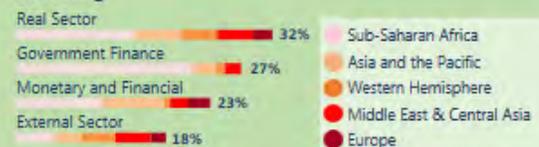


### Share of Activities in Field Time Delivery

#### Technical Assistance



#### Training



baselines, indicators, and milestones. Based on this catalog, STA has begun recording targeted results for all new TA projects and initiated revised targets for existing projects in early 2016. The use of standardized results and systematic registration of baseline

circumstances will build a body of information for project monitoring and evaluation using RBM principles. During FY2017, the IMF plans to work on developing this information for reporting to various inside and outside stakeholders.

## THE GHANA CONFERENCE ON "ENHANCED DATA FOR BETTER MACRO POLICIES"

Senior officials from over 40 African countries, as well as representatives from academia, banks, rating agencies, think tanks, and international organizations debated the particular data challenges facing African policymakers at a conference in Accra, Ghana on February 2. It was one of the largest conferences on the continent on the importance of data for better macroeconomic policies. The conference was organized by the Government of Ghana, the IMF's Statistics Department (STA), and the United Kingdom's Department for International Development (DfID).

Drawing on the experience of the 2008–09 global crisis, there was consensus that African countries should strive to invest in and enhance their statistics, including their timeliness, periodicity, coverage, and

reliability. For many countries, better data meant getting the basics right, such as rebasing their GDP, extending the coverage of government finance statistics, and ensuring timely publication (dissemination) to improve transparency. Many data challenges were fleshed out, such as low investment in skilled human resources, the lack of information technology capacity, difficulties in measuring the informal economy, and inadequate institutional and legislative frameworks.

At the same time, participants shared a vision and some common goals for the way forward. This encompassed the need for transparency and comparability of statistics, the need for integrity and independence of the institutions producing statistics, and pride and determination to make every possible effort under often difficult circumstances to promote the production of timely and high-quality data for the benefit of policymakers.

Speakers also recognized that improving statistics is not an end in itself, but an investment to improve public policy. In that respect, countries suggested that every effort should be made to demonstrate what could be the tangible outcomes of such investment. As spending should not just reflect donor generosity, participants pleaded that the national authorities take ownership and give higher priority to the production of statistics in their national budgets.



Seth Terkper, Minister of Finance and Economic Planning of Ghana, speaking at the Ghana Conference with Min Zhu, Deputy Managing Director, Antoinette Monsio Sayeh, Director of the African Department, and Louis Marc Ducharme, STA Director



# BALANCE OF PAYMENTS DIVISION

## Methodology

**Promulgating guidance for compiling consistent, methodologically sound and timely external sector statistics (ESS) underpins the Balance of Payments (BP) Division's core activities.**

Subsequent to the release of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*, the *BPM6 Compilation Guide*, which provides guidance on sources and methods for compiling ESS on a *BPM6* basis, was published. Other compilation guides were also updated to align the underlying concepts with the *BPM6* methodology:

- In September 2015, the IMF released the *2015 Coordinated Direct Investment Survey Guide (2015 CDIS Guide)*;
- In December 2015, the Arabic translation of the *BPM6 Compilation Guide* was released and translations to other languages are nearing completion; and
- In early 2016, Arabic, Chinese, French, Russian, and Spanish translations of the *2013 External Debt Statistics Guide for Compilers and Users (2013 EDS Guide)* were released.

**STA continued to lead the work of the IMF Committee on Balance of Payments Statistics.**

The Committee's 2015 Annual Report provides an overview of the recent trends in global balance of payments and IIP statistics, summarizes the Committee's work program during 2015, and presents the work program for the coming year. In 2016, top priorities of the Committee will be developing a tailored approach for the implementation of the *BPM6* in countries with low resources and statistical capacity, closing data gaps on cross-border financial interconnectedness and balance sheet analysis, and providing methodological guidance on emerging issues.

**The Task Force on Finance Statistics (<http://www.tffs.org>), chaired by STA, has deliberated on the need to enhance the availability and quality of debt databases.** Improvements to external and public sector debt statistics through enhanced inter-agency collaboration and capacity building efforts are envisaged in the medium term.



STA staff with participants at the IMF Headquarters Course on Cross-Border Position Statistics, Washington, D.C., May 2016

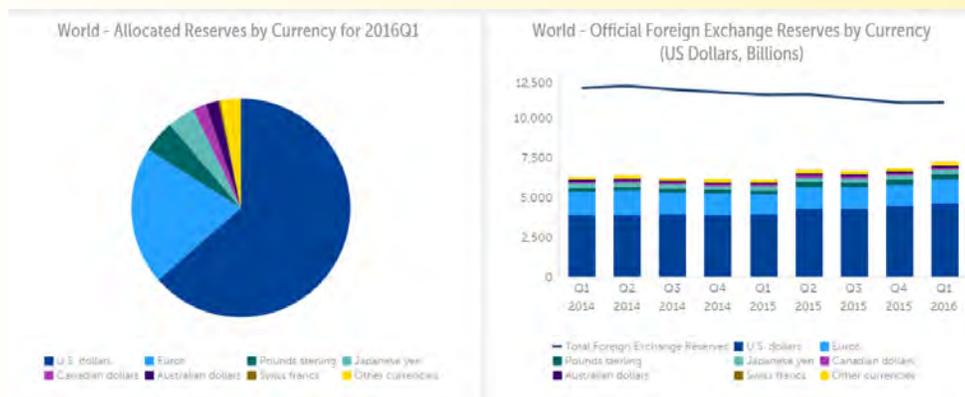
## Data and Surveillance

### A growing number of economies submit ESS to the IMF:

- As of June 2016, the number of economies that submitted balance of payments data increased to 192, from 190 last year. IIP reporters increased to 150 from 147 for the same period;
- As of June 2016, 129 countries reported balance of payments data on a *BPM6* basis—an increase of 23 countries from last year—for publication in the IMF's *IFS* and the online Balance of Payments Statistics database (<http://data.imf.org/bop>). STA started releasing longer historical balance of payments and IIP data on a *BPM6* basis in September 2015, responding to a demand for longer time series from users;
- As of June 2016, the number of reporters of quarterly IIP data increased to 106 economies, compared to 97 last year;
- In December 2015, STA released the results of the *Coordinated Direct Investment Survey* (CDIS; <http://data.imf.org/cdis>), including end-2014 data for 100 economies and end-2013 data for 103 economies;
- In March 2016, STA released results from its semiannual *Coordinated Portfolio Investment Survey* (CPIS; <http://data.imf.org/cpis>), with 70 economies reporting end-June 2015 data and 82 economies end-2014 data; and

- STA regularly disseminates the end-of-period quarterly data on the *Currency Composition of Official Foreign Exchange Reserves (COFER)* survey with a lag of one quarter. Results for the quarter ending March 2016, with 144 economies reporting, were released at the end of June 2016 (<http://data.imf.org/cofer>).

**The Division also addresses data and surveillance needs of the IMF.** It contributed to the decision to incorporate the Chinese Renminbi in the currency basket of the IMF's Special Drawing Rights through interdepartmental working groups and an ad hoc survey of member countries' holdings of currencies in official foreign currency assets. It also proposed separate identification of the Chinese Renminbi in the COFER survey, which was approved by the IMF's Executive Board and will start with the data for the fourth quarter of 2016. In addition, the Division contributed to the IMF's *2016 External Sector Report*, as well as interdepartmental regional projects such as the IMF's African Department-led research on the Capital Flight from Sub-Saharan Africa. In September 2015, the Division, in collaboration with the FSB and BIS prepared a report on *Work on Foreign Currency Exposures: Report to G-20 Economies*. It also supported the Finance Department for the IMF's quota database update.



World Currency Composition of Official Foreign Exchange Reserves (COFER)

## Capacity Development

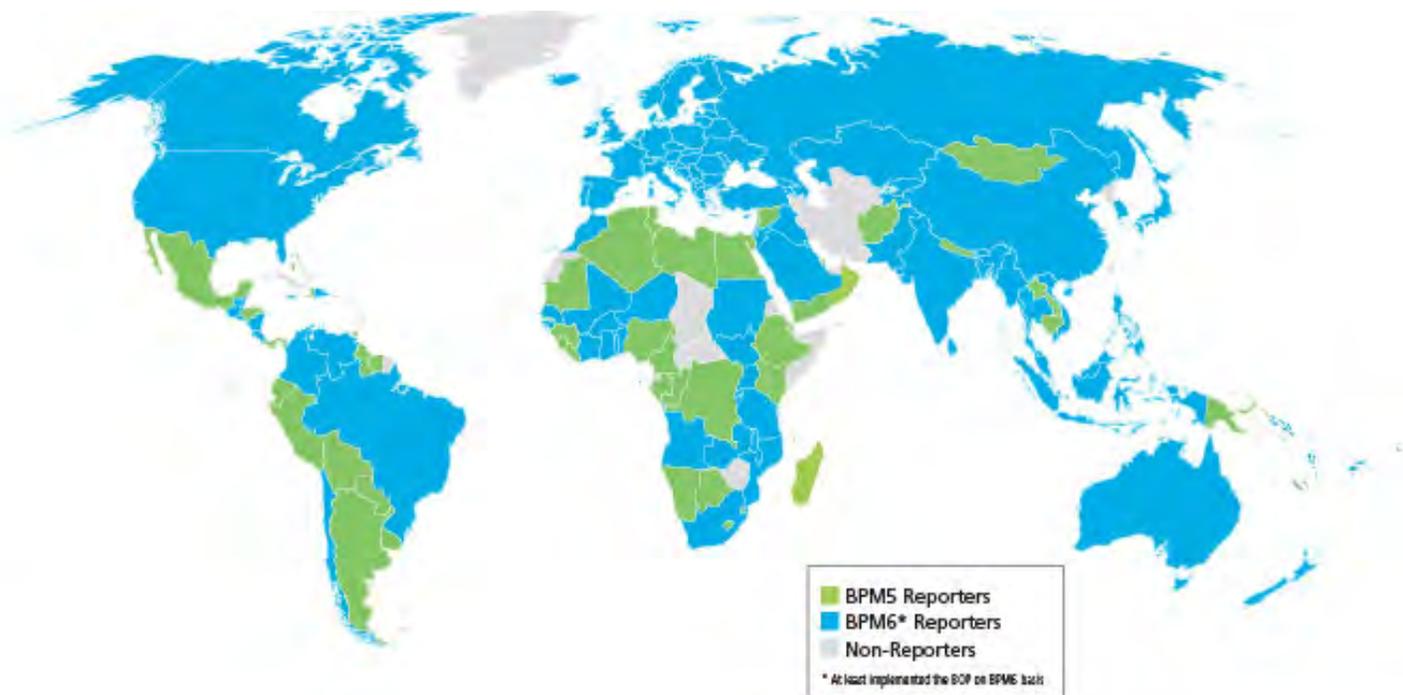
**The Division has an active CD program.** In FY2016, it continued helping countries bring their ESS in line with international standards and enhance their reporting of those data to STA. During the year, 107 TA and 23 training missions were conducted, with a geographical focus on the Western Hemisphere and Asia/Pacific regions (each accounting for one-third). Two long-term advisors are currently providing CD support through the Caribbean Regional Technical Assistance Center (CARTAC-DR) in Barbados and the Technical Assistance Office for the Lao PDR and the Republic of the Union of Myanmar (TAOLAM) in Bangkok. ESS training activities have been mainly organized in partnership with ICD and regional partners, but have also increasingly featured under donor-funded projects.

**The Division has intensified its CD work through donor-financed projects.** They include:

- Implementation of the action plans in individual countries has started under the Enhanced Data Dissemination Initiative 2 project, financed by UK-DFID. Launched in May 2015, the project comprises two ESS modules: Module 1 focuses on improving ESS in selected African countries, and Module 2 provides assistance to five countries in the East African Community region;
- A new three-year project, financed by Japan, was launched in June 2016 to improve the capacity of 17 Francophone African countries in producing and disseminating better quality ESS. The targeted countries include six member states of the Central African Economic and Monetary Community, eight member states of the West African Economic and Monetary Union, and three additional countries (the Democratic Republic of Congo, Djibouti, and Guinea);
- A 20-month project financed by Switzerland for three Central Asian countries (Azerbaijan, Kyrgyz Republic, and Tajikistan) will end in mid-2016;
- A Japan-financed ESS project for Myanmar and Lao PDR was expanded to include Cambodia and Vietnam in 2016, with CD provided through a long-term advisor placed at TAOLAM;
- A new 18-month project for Bolivia, financed by Belgium, supports *BPM6* implementation; and
- TA and training for the development of ESS in Somalia was initiated during 2015, while improvements of South Sudan's ESS continued, both financed by multi-donor trust funds.



## BPM6 Implementation by Country (Reporters as of June 2016)



### Featured Story:

#### Upgrading External Sector Statistics in Three Central Asian Countries

Under a 20-month project funded by the government of Switzerland, ESS in Azerbaijan, Kyrgyz Republic, and Tajikistan are being upgraded to the latest methodological standards (*BPM6*). Improvements in data coverage and the development of new ESS products are also among the key project outcomes that have resulted in a better measure of the Central Asian countries' external transactions and positions and facilitated more effective decision-making. Specifically:

- All countries implemented the *BPM6* framework for the ESS datasets (balance of payments, IIP, and external debt statistics (EDS)) and improved the coverage through new data sources/surveys;

- Tajikistan moved from annual to quarterly compilation of balance of payments, and started disseminating quarterly IIP and EDS in *BPM6* format;
- Tajikistan commenced participation in the World Bank's Quarterly External Debt Statistics (QEDS), while Kyrgyz Republic resumed participation in the database; and
- Azerbaijan compiled the draft quarterly IIP and EDS.

The project—executed through TA missions and workshops—ended in July 2016.



# FINANCIAL INSTITUTIONS DIVISION

## Methodology

The Division (FI) is working on enhancing methodological guidance along four work streams:

### *Monetary and Financial Statistics*

- **In March 2016, STA released the pre-publication version of the *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*.** The *MFSMCG* reflects recent developments in the financial systems and aligns the MFS methodology with the *2008 SNA*, the *BPM6*, and the *GFSM 2014*, providing a consistent framework for the compilation and dissemination of monetary data.
- **The *MFSMCG* incorporates several methodological enhancements.** It presents a more comprehensive picture of the financial sector, with greater focus on other financial corporations (OFCs), in particular investment funds, insurance corporations, and pension funds. OFCs are also referred to as “shadow banks.” New categories of financial instruments were added for money market funds (MMFs) and non-MMFs. Enhancements in the institutional sectors and financial instruments will support IMF financial sector surveillance in assessing the resilience of financial institutions.

### *Financial Soundness Indicators*

- **The Division is in the process of updating the *FSI Compilation Guide*, initially published in 2006.** The updated *Guide* is intended to reflect innovations and developments in the financial sector, broader institutional coverage, and changes in the supervisory and regulatory framework of financial institutions.

- **The Division is promoting a wider set of FSIs and developing concentration and distribution measures (CDMs) to better monitor systemic risks.** This is done in collaboration with the FSI Reference Group (FSIRG) comprising FSI experts from national and international agencies. The updated FSI framework modifies some FSIs for deposit takers; and introduces new FSIs for MMFs, insurance corporations, and pension funds. Additionally, CDMs enhance the usefulness of FSIs by providing information on distribution and concentration patterns that are not revealed by sector averages.
- **FI is organizing a workshop to discuss the planned overhaul to the FSI framework.** It will aim at the FSIRG, policymakers, and other users and is planned for early 2017.

### *Financial Access Survey*

- **The Division is assessing feedback from users on how to enhance the effectiveness of the survey, perhaps including gender-related statistics.** In the latter regard, the Division is conducting a pilot exercise to gauge the availability and coverage of such data on financial inclusion.

### *Securities Statistics*

- **In May 2015, STA published the *Handbook on Securities Statistics*, produced together with the BIS and the ECB.** The *Handbook* is the first of its kind providing the conceptual framework for the compilation and presentation of securities statistics. The creation of the *Handbook* is one of the recommendations of the G-20 Data Gaps Initiative.

## Data and Surveillance

**FI promotes the availability of high-quality financial sector statistics for IMF surveillance through several initiatives:**

### *Monetary and Financial Statistics*

- **The development and adoption of standardized report forms (SRFs) are core to the Division's mandate.** SRFs are the primary source to develop integrated monetary databases (IMDs) and data source for STA and IMF area departments in monitoring monetary and financial sector developments. IMDs contain (i) SRFs and (ii) derived surveys for external and internal users. In the past year, the country coverage of MFS increased to 144 SRF reporters. Moreover, for the first time the euro area, Kazakhstan, Moldova, Samoa, and Tajikistan reported data on OFCs, bringing the total number of OFC reporters to 43. The Division is also increasing the usefulness of MFS data for IMF surveillance purposes through the development of macro prudential indicators derived from SRFs.
- **STA has publicly released detailed MFS datasets in the form of the IMDs, as agreed with 34 countries.** In addition, STA has provided detailed IMDs to IMF area departments for all 144 SRF reporting countries for the first time. These achievements are crucial milestones for data transparency in the field of financial sector statistics and the result of successful interdepartmental collaboration.

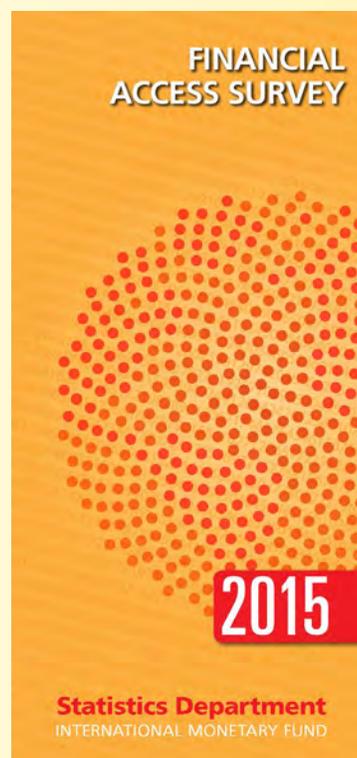
### *Financial Soundness Indicators*

- **The Division promotes the broad usage of FSI data and encourages their publication on the IMF's website (<http://fsi.imf.org>).** At present, the FSI dataset contains data from 109 jurisdictions, nine of which started reporting in the past year. The reporting periodicity improved to 89 percent of reporters submitting data on a monthly or quarterly basis. FSIs, such as regulatory

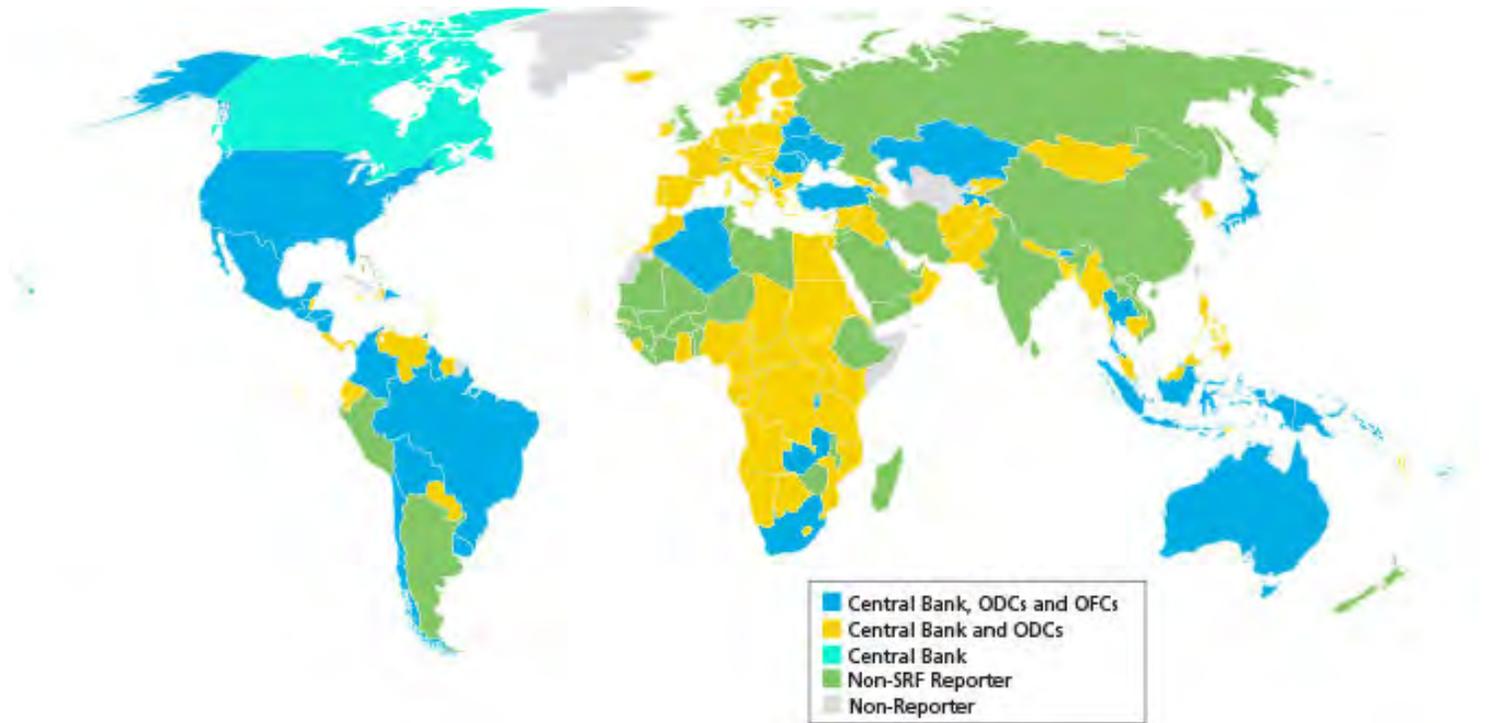
capital adequacy ratios and real estate prices, are included in all Article IV staff consultations as well as in financial stability assessment programs (FSAP) and other IMF publications (such as the GFSR appendix).

### *Financial Access Survey*

- **In the context of the FAS, FI is in the process of disseminating data on a rolling basis to increase data availability.** The FAS (<http://data.imf.org/fas>) is the most comprehensive global source of supply-side data on financial inclusion. The dataset contains information on access to and use of financial services by individuals and firms around the world. Currently, it contains data and accompanying metadata for 189 jurisdictions from 2004 onwards. In 2015, around 44 countries reported data on mobile money, reflecting recent developments in financial services delivery. The FAS is financed by the Netherlands' Ministry of Foreign Affairs and the Bill and Melinda Gates Foundation.



**Monetary and Financial Statistics Reporters Using SRFs  
(as of June 2016: 144 SRF Reporters)**



STA mission members with officials in Angola

## Capacity Development

**The Division's CD program continues to promote the use of SRFs and the development of FSIs.**

44 TA missions and 11 training events were organized in FY2016, with geographical focus on the Africa and Asia/Pacific regions. The Division also developed a new training course on debt securities statistics, which was offered for the first time to staff of the People's Bank of China. Training activities are prepared jointly with the ICD and featured under donor-funded projects.

**The Division expanded its CD work thanks to several donor-financed projects.** They include:

- A five-country project financed by Japan to support the preparations of the monetary union in EAC;
- A 48-country project financed by Japan in the Asia-Pacific and Africa regions to support implementation of FSIs; and
- Three modules under the second phase of the UK-DFID-financed EDDI covering MFS and FSIs in Africa and the Middle East, as well as regional harmonization of MFS in the CEMAC and the EAC.

### Financial Soundness Indicators Reporters (As of June 2016: 109 FSIs Reporters)



## Featured Story: Building FSI Capacity: the JSA Project

The Japan-funded FSI project aims to improve the capacity of 48 countries to compile and disseminate FSIs. The geographical focus is on the Asia-Pacific and Africa regions. As a result of 12 workshops and 13 TA missions, 21 new countries started reporting FSIs by June 2016, seven of them alone in the last year. In this regard, Cambodia can be highlighted as a success story.

- At the outset, Cambodia faced challenging conditions, including restricted resources and limited statistical capacity that made the compilation of FSIs difficult.
- In September 2015, a TA mission visited Cambodia with the aim to strengthen the country's statistical capacity to allow compiling and disseminating FSIs. The mission received strong support from the national authorities and the respective IMF area department.
- As a result of the TA mission, Cambodia started reporting FSI data for the first time in February 2016, and has since then regularly reported FSIs for public dissemination.



JSA-FSI Workshop in Bangkok, Thailand for Asian Countries (March 28–April 1, 2016)

# GOVERNMENT FINANCE DIVISION

## Methodology

**The Division (GO) leads STA's work on international methodological standards for Government Finance Statistics (GFS) and public sector debt statistics (PSDS).** Following the release of *GFSM 2014* in early 2015, the Division shifted its focus from methodological development to actual implementation. GO revised training materials to reflect the new methodology and delivered 18 workshops worldwide. The Division also provided guidance to IMF area departments on how to record complex fiscal activities using *GFSM 2014* principles. To better support compilation, translation of the *GFSM 2014* into French, Spanish, Russian, and Arabic is underway.

**GO is actively involved in international fora on methodology.** Among others, this includes the International Public Sector Accounting Standards Board and Eurostat's Financial Accounts Working

Group. Recognizing that pensions are increasingly important, given aging populations, the Division co-chaired a Workshop on Pensions with the OECD, Eurostat, and ILO in March 2016, and participated in the European Union pensions working group meeting.

**With donor support, the Division concluded its field-testing of the new natural resource revenue template.** The template, which enhances transparency of these revenue flows, was successfully applied in six pilot countries, linking national revenue streams to the *GFSM 2014* classification. Data, comparable across countries, were collected, and the contribution of the template to fiscal analysis in resource-rich economies was demonstrated. The template was adopted as a requirement by the Extractive Industries Transparency Initiative International Secretariat.



Government Finance Division staff and participants at the flagship GFS training course at the IMF's Headquarters in Washington, D.C., June 2016

## Data and Surveillance

**The Division supports the availability of better fiscal data for research and surveillance.** Implementation of the *GFSM 2014* by member countries continues. Over 100 countries published data in the *Government Finance Statistics Yearbook 2015*. For example, Kosovo reported data for the first time; and Vietnam resumed reporting after 11 years. Several other countries improved their data. GFS data is available for download free of charge to all users (<http://data.imf.org/gfs>).

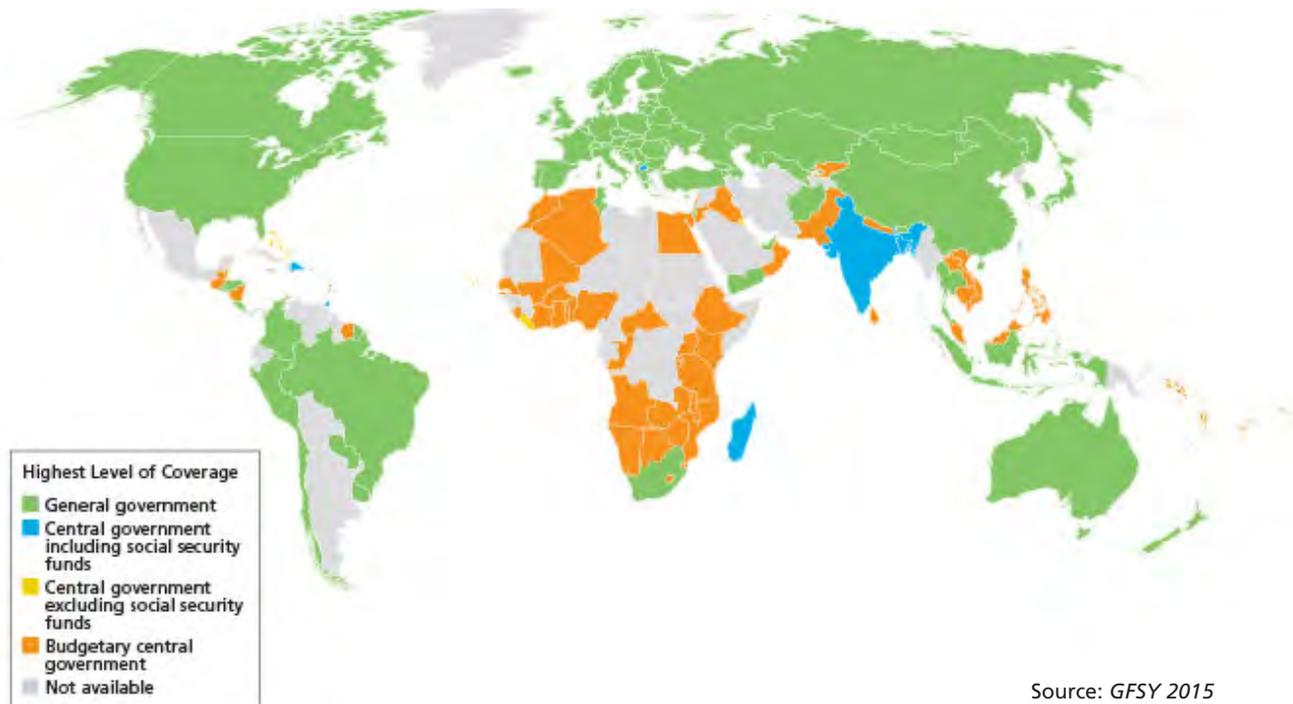
**Government balance sheet information is increasingly important for IMF surveillance, and GFS data contribute to the analysis.** Through capacity building and outreach, the number of countries that report data has steadily increased. In 2015, 31 countries reported a full balance sheet, and another 37 financial balance sheets.

**The Division regularly works with IMF country teams and other departments to improve fiscal data.** For example, the Division interacts extensively with IMF staff working with Greece, and in

the case of Iraq, a template designed by GO for the authorities to report quarterly fiscal data will facilitate publication and be used to monitor Iraq's program with the IMF. The fiscal reporting pillar of the new *IMF Fiscal Transparency Code*, under the auspices of the IMF's Fiscal Affairs Department, follows *GFSM* concepts; GO staff and experts regularly join country evaluations, such as recently in Peru and Tunisia.

**STA actively identifies and encourages countries to publish PSDS.** As of June 2016, almost 80 countries report to the PSDS database (<http://www.worldbank.org/qpsd>) for at least budgetary central government. Many countries provide more comprehensive general government or public sector debt data. Over the past year, a country engagement group was established in conjunction with COMSEC, the World Bank, and UNCTAD to target countries and help them expand data coverage and presentation. The Division also held workshops on public sector debt statistics, most recently in Abu Dhabi.

### Government Finance Statistics: Annual Data and the Broadest Level of Government Available



## Capacity Development

**Technical assistance and training are a core function in the Division's work.** CD activities have expanded substantially over the years to meet country demand. In the past year, GO delivered over 140 TA activities, with about 75 percent benefiting African and Asian economies.

**Long-term advisors based in regional technical assistance centers in Africa (AFRITAC) and at TAOLAM in Thailand are vital to bolster GFS and PSDS compilation by countries.** In February 2016, a GFS advisor was appointed in AFRITAC Central, in Gabon, to help CEMAC countries implement a common regional reporting format. With this recruitment, all but one of the five AFRITACs benefit from a GFS advisor on the ground.

**Considerable CD is provided under donor funded projects.** This includes:

- **An 18-month Swiss government (SECO)-financed project has provided GFS CD for Albania, Bosnia and Herzegovina, Kosovo, Macedonia and Serbia.** This project achieved positive results, which led to the recent

approval by SECO of a successor three-year project. The project has a dual purpose: improving fiscal statistics and assisting countries to meet European Union requirements. To this end, GO partnered with Eurostat, including jointly hosting two well-received regional workshops.

- **In addition to extending the Balkan regional project, SECO approved funding for a new three-year project for Central Asia and South Caucasus covering Azerbaijan, Kyrgyz Republic, and Tajikistan.** The project will help these countries analyze economic developments, assess fiscal risks, and promote fiscal transparency.
- **Japan agreed to finance a second phase of technical assistance in the Asian and Pacific region for 12 countries.** The first phase achieved tangible results, including Indonesia's adoption of *GFSM 2014* for reporting quarterly general government data, and significant improvements in the fiscal data of Pacific Island countries.

## Featured Story:

### Data Harmonization in the East African Community (EAC)

In 2013, an East African Monetary Union Protocol announced a deadline of 2018 to meet GFS-related criteria. At the time, EAC countries were not producing GFS data according to *GFSM 2014*, but *GFSM 1986*. An IMF-EAC Secretariat project provided training, regional workshops, and technical assistance to help four countries meet the convergence criteria. The results so far show how much can be achieved through regional coordination and country ownership.

Critical to the project's success are national GFS Technical Working Groups (TWGs), and Fiscal and Debt Data Development Plans. The TWGs and country plans produced a focus on concrete results. In each country plan, the minister of finance agreed how the country would implement *GFSM 2014*. Kenya, Rwanda, Tanzania, and Uganda now compile annual general government finance statistics; Kenya and Tanzania disseminate data to the IMF. Rwanda and Uganda have more to accomplish, but all are expected to meet the deadline.

## Methodology

The Real Sector (RE) Division leads STA's work on national accounts, price statistics, and merchandise trade. In each of these areas, the Division's services pertain to:

- **National accounts:** quarterly and annual GDP, high-frequency (monthly) indicators of economic activity, accounts and balance sheets by institutional sector;
- **Price statistics:** consumer price index (CPI), producer price index (PPI), import price index, and property price indexes; and
- **Merchandise trade:** Direction of Trade Statistics and the global value chain.

Jointly with other international agencies, the Division supports the update and implementation of methodological concepts and standards:

- The Division chairs the **Inter-Secretariat Working Group on National Accounts**. The group aims to promote the methodological

framework, concepts, and classifications established in the *2008 SNA*, the overarching framework for all macroeconomic statistics and datasets. The Division provides guidance on, and monitoring implementation of, the *2008 SNA*, in collaboration with the UN, OECD, World Bank, and others.

- The Division is about to complete the update of the *Quarterly National Accounts Manual*. The update incorporates the revisions to the *2008 SNA* and recent methodological developments. (<http://www.imf.org/external/pubs/ft/qna>).
- The Division leads the update of the *2004 CPI Manual* under the auspices of the **Inter-Secretariat Working Group on Price Statistics**. The updated *CPI Manual* will provide more practical advice to compilers of price statistics. The Division is currently also developing guidance on real estate price indexes and conducted the final review of the forthcoming *Commercial Property Price Indices: Sources, Methods and Issues*.
- The Division developed a *Guide to Analyze Natural Resources in the National Accounts*. The *Guide* contains six Template Tables for analysis of the macroeconomic impact of natural resources on GDP, prices and employment to aid policy making, as well as national accounts compilation in resource-rich economies.
- The Division is in the process of updating the **Direction of Trade (DOT) database** (<http://data.imf.org/dot>). The work covers the DOT's content, process and technology.



## Data and Surveillance

**The Division promotes national accounts and price statistics data in the IMF's *IFS*.** Over 100 countries are reporting data on annual and quarterly GDP. Historical time series are available for monthly data on consumer prices, producer prices, industrial production, merchandise trade, and employment.

**The IMF and the OECD have assumed responsibility for the international collection of national CPI data so as to harmonize its collection.** During 2016, a new CPI database was published including detailed indexes and weights for 12 subgroups of consumption expenditure and detailed metadata. Currently almost 120 countries are reporting data.

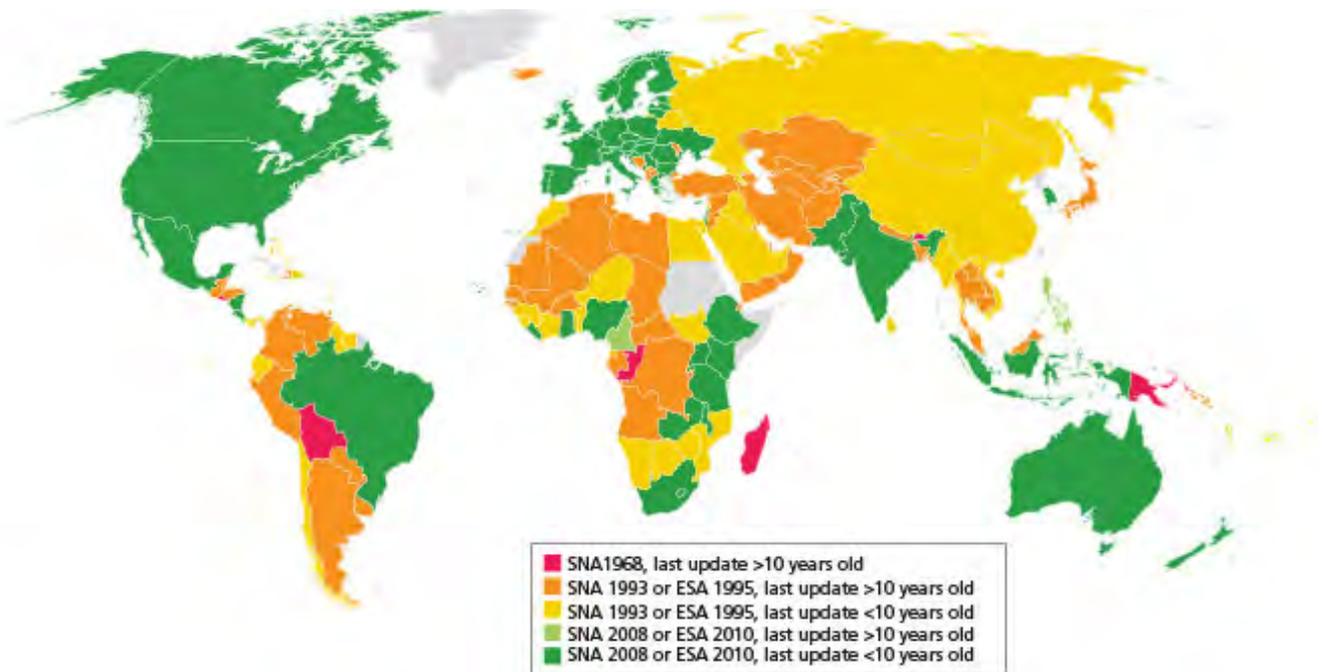
**The DOT database includes monthly data of merchandise exports and imports by trade partners for 184 countries, the world, and major areas.** The DOT relies on data collected from over 100 countries and other international organizations. Monthly data are available on a regular basis for about 90 percent of the global total exports and imports. The availability of partner data makes it

possible to estimate the non-reported data. STA is improving the quality of *DOT* by leveraging Eurostat's Comext and the United Nations' Comtrade databases. These datasets are used by STA to cross-check data submitted by countries for *DOTS*, alerting IMF staff to potential data errors and inconsistencies requiring further investigation.

**The Division helps countries develop balance sheets by institutional sector (e.g., household, corporate, financial, and government) and flow of funds statistics.** Sector accounts and balance sheets lead to a better understanding of the linkages within the domestic economy and between the domestic economy and the rest of the world.

**Divisional staff are actively supporting IMF surveillance.** This includes participation in area department missions and analysis of, and advice on, statistical issues. The Division also assists area departments in resolving data shortcomings in national accounts and price statistics that significantly hamper surveillance. It advises the IMF's work on quota and voice.

### Country GDP Compilation Practices: Methodological Framework and Benchmark Update (as of June 2016)



## Capacity Development

**The Division conducts about half of all STA's CD missions.** It fielded 242 TA missions and 40 training events in FY2016. The Division boasts resident advisors in all of the Fund's nine RTACs, with the new SARTTAC in India being added to this list in January 2017. Its training events are organized in partnership with ICD, regional partner institutions, and RTACs, as well as under donor-financed projects.

**The Division's CD activities focus on better coverage and more timely data.** For national accounts, activities have included improving the coverage and updating the base year of annual national accounts, and the compilation of quarterly national accounts and sectoral accounts. In the price statistics area, the Division continues to provide assistance to countries to improve and revise CPIs and to introduce PPIs.

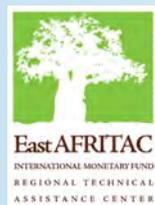
**During the past year, the Division has developed new training material on residential property price index (RPPI) compilation.** It has delivered RPPI seminars and workshops attended by a total of 33 Asian, Central American, and African countries. Participants were provided with an overview of data sources and methods for compiling RPPIs and outlined strategic issues for their development in a country-specific context. The considerable interest has led to the launch of TA on RPPI compilation as well.

**The Division promotes the development of high-frequency (monthly) indicators of economic activity.** Many countries compile quarterly estimates of GDP, which are used as the primary gauge of economic activity. However, economic

monitoring and policymaking is carried out more frequently than quarterly, hence there has been a growing demand for more timely higher frequency data.

**The Division has an extensive base of donor-financed projects that is being adjusted to meet countries' evolving needs:**

- Three modules benefiting seven African countries and six Middle Eastern fragile states, under the second phase of the Enhanced Data Dissemination Initiative project financed by UK-DFID. These modules help develop capacity for the sustainable compilation of national accounts and price statistics;
- Two Japan-financed projects for real sector statistics in seven countries in South Eastern Europe and in 12 Asian countries that were completed in 2016;
- Two country modules (Mozambique and Sierra Leone) under the Topical Trust Fund for the Management of Natural Resource Wealth, and a module to develop a compilation guide for such activity in macroeconomic statistics, with pilot tests in two countries;
- Two fragile states (Somalia and South Sudan) under country-specific trust funds;
- A Belgium-financed project to assist the authorities of Benin in developing high-frequency indicators; and
- Two new projects to provide CD on RPPI and sectoral accounts were launched with Swiss government support in June 2016.



## Featured Story:

### Successfully Building Capacity in Eastern Europe—Moldova

The National Bureau of Statistics made outstanding progress in improving annual national accounts, developing quarterly national accounts estimates, and improving the CPI during the recently concluded STA Project for Capacity Building for the Sustainable Production of Real Sector Statistics in Eastern Europe, generously funded by the government of Japan. The first quarterly GDP estimates for Moldova were disseminated in 2013, making more timely data on economic growth available for policymakers. In addition, the accuracy of the annual national

accounts estimates and merchandise trade statistics was significantly improved.

Major improvements to the CPI compilation methods have been implemented to enhance the accuracy and reliability of the index. Beginning in January 2015, four regional indexes are compiled and disseminated in addition to the national index. Further improvements include expanding coverage to include owner-occupied housing and better index compilation methods.



RE staff with participants at the closing workshop for the Project on the Sustainable Capacity Development of Real Sector Statistics in Eastern Europe held in Kyiv, Ukraine

## Recent Board Papers, Guides and Manuals, and Research Papers by STA Staff

Free PDFs can be downloaded from <http://imf.org/external/publications/index.htm><sup>1</sup>

### Board Papers Authored and Co-authored by STA Staff

#### *Quotas – Data Update and Simulations*

FIN in collaboration with STA (August 2016)

#### *2016 External Sector Report*

STA as a member of the External Sector Coordinating Group (June 2016)

#### *Separate Identification of the Chinese Renminbi in the COFER Survey*

SM/16/48 (February 2016)

#### *IMF Committee on Balance of Payments Statistics – 2015 Annual Report*

SM/16/34 (February 2016)

#### *Review of the Method of Valuation of the SDR*

STA contributed to the papers prepared by FIN, LEG, and SPR  
FO/DIS/15/116 and SM/15/278, (July and November 2015)

#### *Work on Foreign Currency Exposures: Report to G-20 Economies*

STA in collaboration with FSB and BIS,  
EBS/15/8 (September 2015)

#### *The Sixth Progress Report on the Implementation of the G-20 Data Gaps Initiative*

STA in collaboration with the FSB  
(September 2015)

#### *Report of the IMF Government Finance Statistics Advisory Committee, 2015* (August 2015)

#### *Quota formula—Data Update and Further Considerations*

STA in collaboration with FIN (June 2015)

#### *Balance Sheet Analysis in Fund Surveillance*

STA in collaboration with SPR (June 2015)

#### *Proposed Amendments to the Special Data Dissemination Standard Plus and the Annex on the General Data Dissemination System*

STA in collaboration with the Legal and Strategy, Policy, and Review Departments  
(June 2015)

#### *2015 External Sector Report*

STA as a member of the External Coordinating Group (June 2015)

#### *IMF Committee on Balance of Payments Statistics – 2014 Annual Report* (May 2015)

### Guides and Manuals

#### *Monetary and Financial Statistics Manual and Compilation Guide, Prepublication Draft* (March 2016)

#### *SDDS Plus Guide for Adherents and Users* (December 2015)

#### *2015 Coordinated Direct Investment Survey Guide* (September 2015)

#### *Handbook on Securities Statistics* (May 2015)

<sup>1</sup> Publications prior to May 2015 can also be found on this website.



## IMF Working Papers

*Nowcasting Annual National Accounts with Quarterly Indicators: An Assessment of Widely Used Benchmarking Methods*

Marco Marini; IMF Working Paper No. 16/71 (March 2016)

*Pilot Project on Concentration and Distribution Measures for a Selected Set of Financial Soundness Indicators*

Joseph Crowley, Plapa Koukpmou, Elena Loukoianova, and Andre Mialou; IMF Working Paper No. 16/26 (February 2016)

*The Financial Wealth of Corporations: A First Look at Sectoral Balance Sheet Data*

Yuko Hashimoto and Noriaki Kinoshita; IMF Working Paper No. 16/11 (January 2016)

*A Network Analysis of Sectoral Accounts: Identifying Sectoral Interlinkages in G-4 Economies*

Luiza Antoun de Almeida; IMF Working Paper No. 15/111 (May 2015)

## Papers in Academic Journals and Publications

*Real Exchange Rate Volatility and Imports of Intermediate Inputs: A Microeconomic Analysis of Manufacturing Plants*

Ricardo López (Brandeis University) and Vina Nguyen; Review of International Economics (October 2015)

*Measuring Industry Contributions to Labor Productivity Change: A New Formula in a Chained Fisher Index Framework*

Marshall Reinsdorf; International Productivity Monitor (June 2015)

*Reconciliation of Systems of Time Series According to a Growth Rates Preservation Principle*

Marco Marini and Tommaso Di Fonzo; Statistical Methods & Applications (May 2015)



## STAFF AND EVENTS



▲ STA long-term experts' visit to IMF headquarters



▲ STA staff with members of the Task Force on Finance Statistics



▲ STA kids at the 2015 Take our Daughters and Sons to Work Day



▲ STA staff with Ms. Grasso at the signing of a Memorandum of Understanding between the IMF and USAID



▲ STA Director with staff at STA's Appreciation Day



◀ STA soccer team at the 2015 Multi-Sports Day



▲ STA staff at the 2015 STA Holiday Party



▲ STA staff at STA's Appreciation Day

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# Better Statistics Better Policies

