

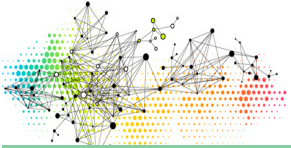


# Statistical Methodologies Applied to Natural Resources: Template for Government Revenues from Natural Resources

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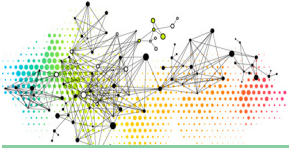
Government Finance Statistics Advisory Committee

March 14, 2017



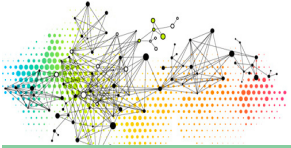
# Background

- Natural resource revenues are macro-critical for one third of the Fund's membership, but currently available data are limited and not comparable across countries.
- In January 2014 STAGO proposed to the IMF Board a **standard template** to collect data on **government revenues from natural resources**, based on the revenue classifications of the *GFSM 2014*.
- Together with the standard template, STAGO also proposed practical definitions for natural resource products, natural resource enterprises, and government revenues from natural resources.



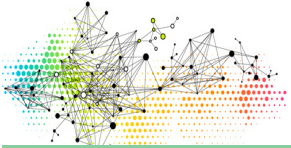
# Background

- In March 2017 STAGO will present to the IMF Board the results of a field-test of the standard template in six diverse countries (Indonesia, Kazakhstan, Mongolia, Norway, Peru, and Zambia).
- The field-test of the standard template was a success. The natural resource revenue streams for all six countries were linked to the template's *GFSM 2014*-based categories, and multi-year data sets for all countries were collected and made comparable across countries.
- In February 2015 the Extractive Industries Transparency Initiative (EITI) adopted the standard template as a mandatory reporting requirement for all its members.



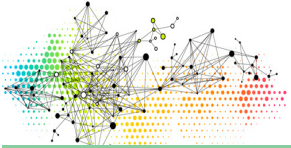
# Template Revenue Classification

- While fiscal statistics include government revenues from natural resources, usually these cannot be identified separately from other government revenues.
- Some resource-rich countries have developed their own classifications of natural resource revenues, however, in the absence of international guidelines, these classifications vary in scope and methodology from country to country.



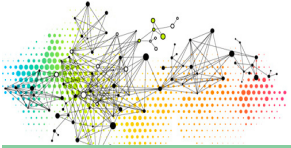
# Template Revenue Classification

- Reliance on the *GFSM 2014* revenue classification categories and codes, disaggregated to identify separately the revenues from natural resources, allows for: (i) consistency with the data reported for total revenues for each corresponding category, and (ii) comparability across countries.
- At the most detailed level, there are 33 revenue categories in the standard template. Some of these categories are breakdowns of existing *GFSM 2014* categories, such as *rent* and *income tax on income, profits, and capital gains*, created to provide additional detail relevant to government revenues from natural resources.



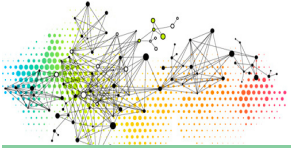
# Natural Resource Products and Enterprises

- A major challenge faced during the design of the standard template was the absence of an internationally accepted definition of government revenues from natural resources.
- Using the United Nations Central product Classification Version 2, a specific list of hydrocarbon and mining products to be considered natural resource products was proposed.
- The entities that produce those products are considered to be natural resource enterprises.



# Government Revenues from Natural Resources

- Government revenues from natural resources are the revenue payments governments receive from natural resource enterprises and their employees.
- The standard template illustrates the usefulness and flexibility of STA's macro statistical methodologies to meet the needs of various users.
- Other aspects of natural resources to which the *GFSM 2014* methodology could be applied include expenses, and recognition of natural assets in government balance sheets.



# EITI Revenue Table

- The EITI International Secretariat introduced in early 2015 a Summary Data Template that contains three tables, one of them a revenue table based directly on the standard template.
- The revenue table is linked to the payments of individual natural resource enterprises, thereby providing data at a very granular level.
- The EITI's adoption of the standard template provides access to the vast amount of detailed revenue data in national EITI reports.