



Eighth UNCTAD Debt Management Conference

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Capacity Building Needs in Debt Management: Responses from International Organisations

by

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD



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**Capacity Building Needs in Debt
Management: Responses from
the IMF**

**Government Finance Division
Statistics Department
IMF**

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IMF has a multifaceted approach to public sector debt issues

- Development of **statistical methodology & standards**
 - Technical assistance & training in applying these
 - Dissemination of statistics
 - Evaluation of countries' compliance with international statistical standards
- **Debt sustainability analysis (DSA)** to support surveillance
- **Technical assistance and training** in debt statistics, debt management and related topics:
 - Public financial management (PFM), institutional arrangements, debt structure, debt operations, funding strategy, capital market development, and debt restructuring



Public sector debt statistics, DSA, and debt management

■ Statistics

- Methodology
- Data standards and codes
- Publication of government finance statistics (and public sector debt statistics)
- Technical assistance and training in compiling statistics

■ Public sector debt DSA and debt management

- Surveillance, programs
- Technical assistance and training in public sector debt management



Statistics Methodology:

- IMF is responsible—in cooperation with other agencies—for internationally accepted manuals:
 - External sector statistics (*BPM6* & External Debt Guide)
 - Government finance statistics (*GFSM 2001* + update)
 - Including public sector debt statistics

- All manuals & guides are harmonized, to the extent possible, with the *System of National Accounts (SNA)*



Statistics Methodology:

■ Public Sector Debt Statistics Guide

- First global guide on compiling public sector debt statistics
 - Drafted under joint responsibility of 9 organizations, broad inclusiveness of IMF departments, and consultation with country compilers of government finance & public sector debt statistics
 - Available at: www.tffs.org/PSDStoc.htm
 - Focuses on
 - Improving the quality and timeliness of general government and, more broader, public sector debt statistics; and
 - Promoting a convergence of recording practices
- to produce **comprehensive, internationally comparable data**
- “survey” of institutional coverage, instrument coverage, valuation, etc. in recent public sector debt statistics courses showing wide variation among countries



Statistics Data standards and codes

- Standards have two tiers:
 - General data dissemination system (GDDS)
 - 102 countries
 - Special data dissemination standard (SDDS)
 - 68 countries
- Both cover government debt statistics



Publication of government finance (GFS) and public sector debt statistics

- **GFS** are disseminated in the IMF's
 - GFS Yearbook
 - Annual data for about 110 countries
 - *International Financial Statistics (IFS)*
 - Monthly and quarterly data for about 80 countries
 - World Economic Outlook → now using *GFSM 2001* framework
 - FAD Historical Debt Database

- Collaboration with World Bank on **collection and dissemination of quarterly public sector debt statistics**
 - 34 countries are currently participating with major efforts underway to expand participation



Technical assistance & training

- Technical assistance (TA) in **compilation and dissemination of government finance statistics data**
 - About 40 mission per year
- MCM technical assistance and training in the areas of **medium-term debt management strategy (MTDS)** formulation and other public debt-related issues.



Technical assistance & training

- TA work is reinforced by training courses & workshops for member country officials in Washington, D.C., and at regional training centers.
- For example, in calendar year 2011:
 - GFS course in Washington, DC (4 weeks) [40 countries]
 - GFS course in China, PR (2 weeks) [China]
 - GFS workshop for SADC countries (2 weeks) [15 countries]
 - PSDS course in Vienna for G20 & selected emerging countries (2 weeks)
-- [17 countries]
 - PSDS course in Vienna for former centrally planned economies (2 weeks) [20 countries]
 - PSDS course in Brazil for Latin American countries (1 week)
-- [25 countries]



Technical assistance & training

- MCM – TA on **Medium Term Debt Management Strategy and Debt Market Development.**

- For example, for 12 months to October 2011 :
 - 7 MTDS missions
 - 7 other debt management missions
 - 8 debt management workshops



Public Sector Debt Issues in the IMF's Surveillance Mandate

- Within **bilateral surveillance**^{*}, as relevant, focus on
 - Debt **sustainability**
 - Debt **composition** and debt **structures**
 - Debt **strategies**
 - Debt **markets**
 - Debt **institutions**
 - Debt **statistics** to inform IMF Article IV consultations

** Surveillance is an essential aspect of IMF's responsibilities associated with overseeing the policies of its members in complying with their obligations specified in the IMF's Articles of Agreement.*



Public Sector Debt Surveillance

- Debt sustainability analysis (DSA)
 - Framework consists of two complementary assessments of the sustainability of
 - Total public sector debt
 - Total external (i.e., public and private) debt

- DSA framework is consistent with Public Sector Debt Statistics Guide
 - Needs **cross-country comparable data** for triggers



Public Sector Debt Surveillance

- In the context of **multilateral surveillance**, key developments are monitored through:
 - *World Economic Outlook (WEO)*
 - Regular coverage in the *Global Financial Stability Report*
 - Fiscal Monitor
 - Annual IMF *Public Debt Manager's Forum*



Public Sector Debt Management: Technical Assistance and Training

- IMF's technical assistance in public sector debt management focuses on **frameworks** for public sector debt management and **legal aspects**
 - Overall framework for public sector debt management
 - Include design and implementation of a medium-term debt management strategy (MTDS)
 - Fiscal framework for public sector debt management
 - Fiscal policy aspects and public financial management in general
 - Globalization of debt markets require a broader approach
- Training courses cover
 - Institutional arrangements for debt management
 - Debt portfolio risk management
 - Debt strategy development and implementation
 - Debt market development / other public debt-related issues



■ *Thank you!*

■ *Questions?*