January 31, 2020

PUBLIC SECTOR DEBT DEFINITIONS AND REPORTING IN LOW-INCOME DEVELOPING COUNTRIES

EXECUTIVE SUMMARY

Increasing public debt vulnerabilities in low-income developing countries (LIDCs) have heightened the need for fuller and more transparent accounting of public sector debt (PSD). Public debt transparency is a key prerequisite for effective risk assessment in support of sustainable borrowing and lending practices. However, due to several factors the accounting of PSD in many LIDCs is suboptimal, insufficiently transparent, and may lead to "debt surprises." In addition, changes in the financing landscape of LIDCs require more clarity about public sector coverage and the statistical treatment of complex and increasingly diverse debt instruments.

The framework for reporting on public sector debt is sound. The international statistical standard as described in the *Public Sector Debt Statistics: Guide for Compilers and Users* (PSDS Guide) provides clear definitions and statistical treatment of all debt-related arrangements including of complex debt instruments. Debt data requirements for the Low-Income Countries Debt Sustainability Framework (LIC-DSF) are closely aligned with the international statistical standard and have been adjusted to better capture debt sustainability and vulnerabilities. Policy engagements around DSAs and tools and stress tests embedded in the LIC-DSF help to compensate for potential gaps in debt reporting.

But there is room for LIDCs to further improve their compilation, reporting, and dissemination of public sector debt data in international databases and more broadly the public domain. Debt data reporting to the Quarterly PSDS database is limited to less than one third of LIDCs (17 countries) and there are considerable differences across countries in national debt definitions. Weaknesses in compilation and reporting of data stem from capacity constraints, weak legal and institutional frameworks, and unclear definition of public debt under national laws. Debt reporting can also suffer from inconsistencies.

Several policy priorities arise. Capacity development and institutional reforms in the area of debt data recording and reporting are critical for producing better debt reports. In addition, countries should be encouraged to make more comprehensive and timely debt data available publicly in their national summary data page (a data portal for countries participating in the IMF data dissemination standards) and through IFIs. In this context, the focus should be on the Quarterly PSDS database and encouraging reporting of additional granular information (e.g., collateralization features of loans and domestic debt) through the Debtor Reporting System (DRS) loan-by-loan debt reporting to the World Bank. To that end, LIDCs would need to overcome impediments for statistical reporting, and the World Bank and the IMF would need to provide required support for capacity development (e.g., the newly-introduced IMF online course on PSDS and scaled-up technical assistance on debt reporting). These steps would complement the ongoing efforts to expand debt coverage in DSAs.

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INTRODUCTION

1. **Public debt vulnerabilities in low-income developing countries (LIDCs) have increased in recent years reflecting higher public debt and debt service levels and changes in the composition of public debt.** Twenty-five out of fifty-seven LIDCs (i.e., forty-four percent) are assessed at high risk of debt distress or already in debt distress as at end-2018,[1] almost double the level in 2013. Efforts to prevent and solve debt crises have often been complicated because of inadequate reporting, sometimes with the discovery of "hidden" debts[2], and/or the increased use of more complex debt instruments.

2. **Public debt transparency is a key prerequisite for effective risk assessment in support of sustainable borrowing and lending practices.** It permits borrower countries to accurately track the evolution of their debt situation, and to monitor and manage debt-related risks and vulnerabilities. It is also needed for lenders to accurately assess a borrower's debt position, borrowing capacity, and creditworthiness before extending fresh credit. Public debt transparency can help lenders and borrowers from not entering into agreements that could cause them financial difficulties in the future. It is also critical for citizen accountability and reducing corruption. For these reasons, debt transparency has been included as one of the key pillars of the joint Bank-Fund multi-pronged approach to reducing emerging debt vulnerabilities. The new IMF/World Bank Low-Income Countries Debt Sustainability Framework (LIC-DSF) operationalized since July 2018 also emphasizes fuller debt coverage and disclosure.

3. **This note clarifies definitions and coverage of public sector debt (PSD) in the international statistical standard and the LIC-DSF, and discusses data reporting systems, gaps in debt data collection, and reporting by LIDCs.** It is one of the deliverables under the debt transparency pillar of the joint Bank-Fund Multipronged Approach to address debt vulnerabilities. In each section, three main debt reporting dimensions will be assessed: (i) coverage by sector; (ii) coverage by instrument; and (iii) valuation methods. The note is structured as follows:

- Section II provides an overview of the international statistical standards for PSD compilation and dissemination and discusses the recommended coverage of the public sector and types of debt instruments. It also discusses the recommended debt coverage in the new LIC-DSF and how it differs from the standard statistical treatment.

- Section III takes stock of the actual PSD reporting by LIDCs, including progress in the context of LIC DSAs.

- Section IV provides a refresher on the treatment of complex debt instruments that have become a recent focus of attention.

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[1]This excludes Nigeria and Vietnam that use the debt sustainability analysis (DSA) methodology for market access countries (MAC-DSA).

[2]For recent case studies, please see *G20 Note: Strengthening Public Debt Transparency*.

- Section V discusses the factors that are limiting reporting of debt data by LIDCs.
- Finally, drawing on the paper's findings, section VI suggests practical steps to enhance transparency and coverage of PSD data by LIDCs, including in DSAs, and to streamline data reporting.

PUBLIC SECTOR DEBT STATISTICS

A. International Statistical Definition[3]

4. To facilitate cross-country comparability and comprehensive debt analyses, public sector debt statistics (PSDS) should be compiled and reported based on internationally accepted statistical definitions and concepts. These standards have been established to foster convergence in debt reporting across countries and are intended for compilers and users of public sector debt statistics. According to such standards, total debt consists of all liabilities that are debt instruments. While debt may be incurred to fund assets that will generate income to meet liabilities,[4] the focus of this note is on gross debt only.[5]

5. A debt instrument is a financial claim that requires payment of interest and/or principal by the debtor to the creditor at a future date, or dates. Debt liabilities are typically established through the provision of economic value by the creditor to the debtor in exchange for a flow of future payments (principal and/or interest). These liabilities are normally under a contractual arrangement but can also be created by the force of law (such as liabilities arising from taxes, penalties, and lawsuits) and by events that require future transfer payments, such as claims on nonlife insurance companies.

6. Debt liabilities should be recorded when goods or assets change ownership, services are rendered, or when funds are made available. Commitments to provide funds in the future do not establish debt liabilities; amounts yet to be disbursed under a loan commitment should not be treated as debt. The definition of debt does not necessarily require that the timing of future payments of principal and/or interest is accurately known. For example, obligations of employment-

[3]This subsection draws on the *Public Sector Debt Statistics: Guide for Compilers and Users, 2013* (PSDS Guide) which provides the international statistical standard for compiling and reporting PSDS. The PSDS Guide is fully harmonized with the standards set out in the *System of National Accounts of 2008* (2008SNA) and the IMF's *Government Finance Statistics Manual of 2014* (GFSM 2014).

[4]Net debt is calculated as gross debt minus financial assets corresponding to the same debt instruments.

[5]Data on net debt is generally incomplete, especially in lower-income countries, due to the complexity of measuring assets. Moreover, it is not possible to present the DSAs on a net debt (instead of a gross debt) basis since this implicitly imposes the strong assumption that government assets and liabilities can perfectly offset each other, which may not always be the case due to liquidity or currency mismatches.

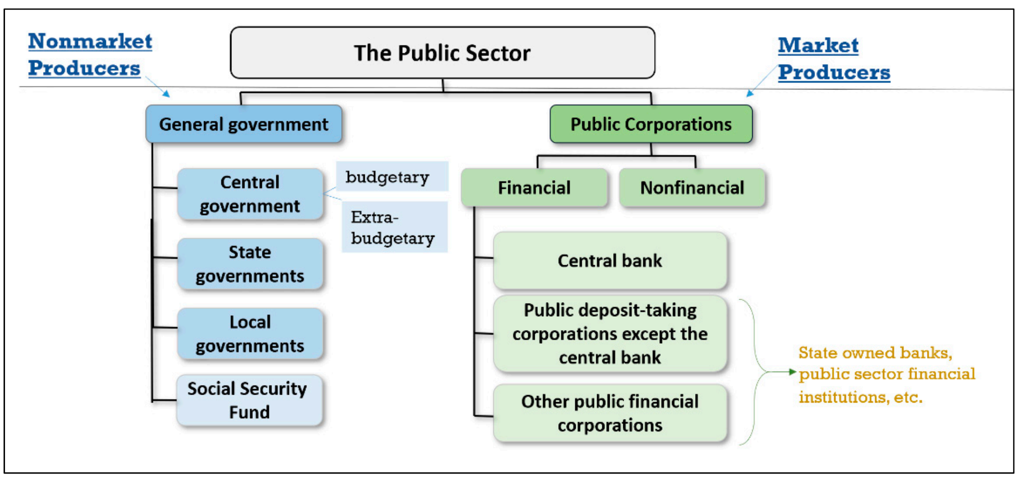
related pension funds to their participants are considered debt because payments are due at some point, even though the exact timing and amount of the payment is unknown.

7. Contingent liabilities are excluded from debt liabilities because they are obligations that only arise if a particular event occurs in the future. These include explicit contingent liabilities such as the granting of a guarantee by the government to a state-owned enterprise and implicit contingent liabilities (e.g., future obligations of a social security system, government financial interventions to ensure the solvency of the banking sector during financial crisis, and debt of public sector units without government guarantee which would need to be assumed by the government in case of default).[6] In the case of guaranteed debt, the original underlying liability should be attributed to the original debtor, e.g. the state-owned enterprise—not the guarantor—unless and until the guarantee is called. However, international statistical standards prescribe that explicit and implicit contingent liabilities are reported as memorandum items by the guarantor.[7]

Public Sector Coverage

8. PSDS should cover the entire public sector as defined by international statistical standards. The public sector consists of general government (budgetary central government, state government, local government, extrabudgetary units, and social security funds) public nonfinancial corporations, and public financial corporations including the central bank (Figure 1).[8]

Figure 1. Public Sector and Its Sub-Sectors



[6]For more details about contingent liabilities see Chapter 4 of the PSDS Guide.

[7]In the PSDS Guide, presentation tables for contingent liabilities are provided for Summary of Gross Debt (Table 5.1) which includes publicly guaranteed debt as a memorandum item, and Summary of Explicit Contingent Liabilities and Net Obligations for Future Social Security Benefits (Table 5.12). Standards for measuring contingent liabilities are still evolving because these liabilities are complex arrangements and no single measurement approach can fit all situations. The first approach is to record contingent liabilities at full face value or maximum exposure loss (e.g., how much debt would be incurred if the guarantee is called).

[8]Corporations are defined as entities that are capable of generating a profit or other financial gain for their owners, and are set up for the purposes of engaging in market production.

9. Public corporations are defined broadly as entities that are controlled—directly or indirectly—by the government. Control is defined as the ability to determine general corporate policy of the corporation. The 2008SNA and GFSM 2014 list eight indicators that should assist in determining whether a corporation is controlled by a government: (1) ownership of the majority of the voting interest; (2) control of the board or other governing body; (3) control of the appointment and removal of key personnel; (4) control of key committees of the entity; (5) ownership of golden shares and options; (6) capacity to change regulation; (7) control by a dominant public sector customer or group of public sector customers; and (8) control attached to borrowing from the government.[9] The standards recognize that in some circumstances a single indicator may not be sufficient to establish control and classify an entity as a public corporation.

Debt Instruments

10. PSDS should cover all debt instruments to the extent data are available. For complete coverage of debt instruments, the following six instruments should be included: special drawing rights (SDRs);[10] currency and deposits; debt securities; loans; insurance, pension, and standardized guarantee schemes (IPSGS); and other accounts payable which in some countries are referred to as pending bills or short-term technical arrears.

11. To enhance cross-country comparability, debt instruments can be classified into four groups, reflecting data availability (Figure 2). This classification starts with a narrow but commonly applied coverage of only two instruments (D1 on the horizontal axis) which can be expanded to cover all six debt instruments (D4 on the horizontal axis). On the vertical axis, the coverage expands from budgetary central government (GL1) to the entire public sector (GL5). The standards recognize that a wider coverage is desirable but do not set a minimum standard by instrument and sector.

Valuation Methods

12. The method used for valuing debt should be stated explicitly because it affects debt stock indicators. The PSDS Guide recommends that debt instruments should be valued on the reference date at nominal value, which can be defined as the amount that the debtor owes the creditor at any given point in time, including accrued interest. In addition, traded debt securities should be valued at market value as well. When data and information on market value are not available or not applicable for certain debt instruments, nominal or face value (which is the amount of principal to be repaid at maturity) could be used as a proxy.

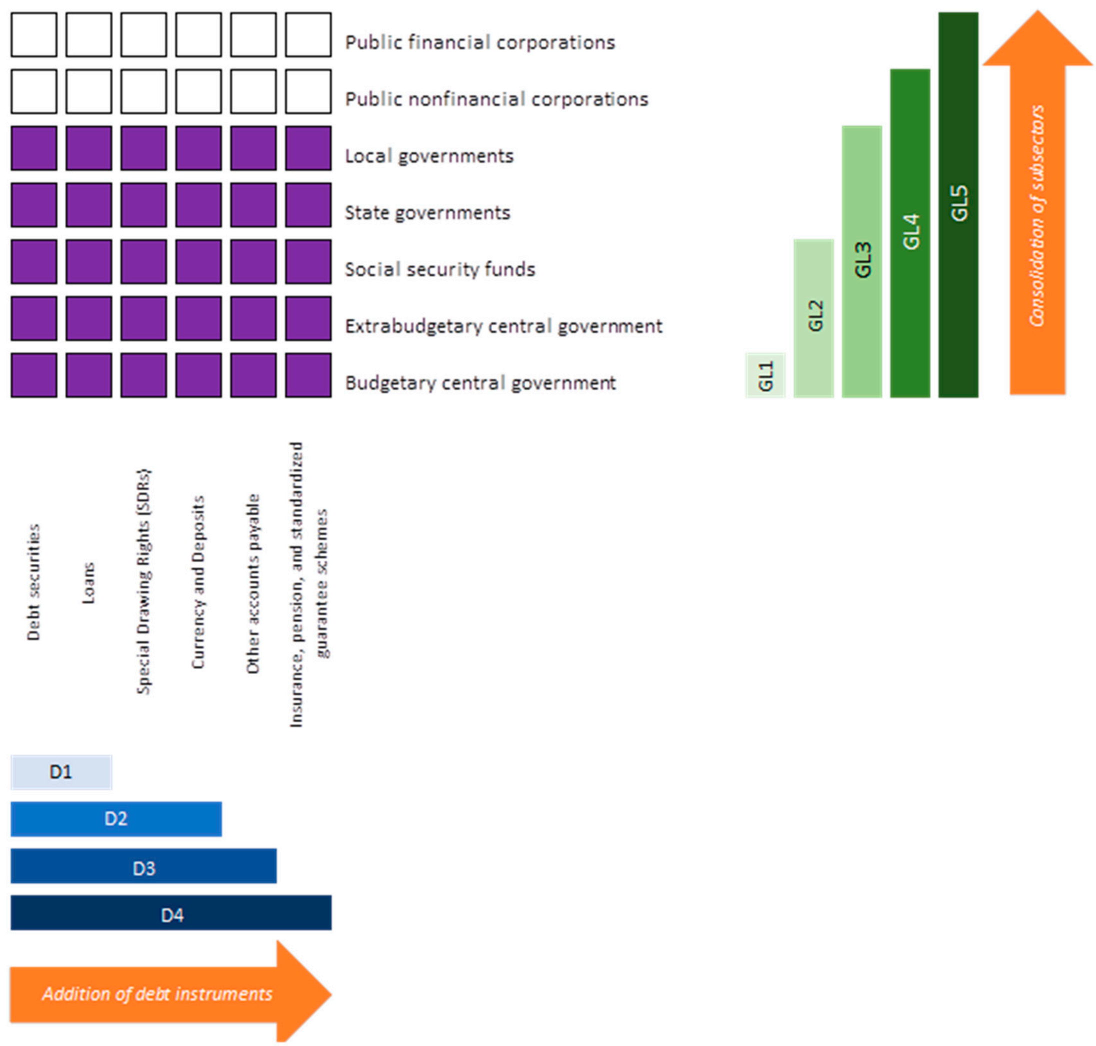
13. The reference time of recording debt transactions is also important because interest accrues continuously. In macroeconomic statistics, flows and stock positions are recorded when economic value is created, transformed, exchanged, transferred, and extinguished. This principle, referred to as the accrual basis, matches the time of recording with the timing of events giving rise

[9] See GFSM2014, Box 2.2. Government Control of Corporations.

[10] SDRs here refer to SDR allocations, not WB/IMF loans denominated in SDR which should be classified as loans.

to actual resource flows. The accrual basis provides the most comprehensive information because all resource flows are recorded, including other accounts payables and flows related to pension entitlements.

Figure 2. Coverage by Instrument and Sector



14. The accrual basis can be particularly important when recording interest. Interest on debt instruments should be recorded as it accumulates, with interest payments then reducing the debt stock. When following a nominal valuation, this same approach should be applied to discounts and premia at issuance of debt securities, with the discounts/premia being accrued across the life of the debt instrument.[11]

[11]Financial statements based on the International Public Sector Accounting Standards provide good source data for compiling reliable public sector debt although certain case-by-case adjustments may be needed.

B. Public Debt Data in LIC-DSF

15. Compilation of debt information for debt sustainability analyses (DSAs) under the LIC-DSF focuses on identifying and assessing debt-related risks.[12] Public debt data used for DSA under the LIC DSF broadly follow the PSDS statistical methodology (Table 1). There are, however, some significant differences to facilitate the identification and assessment of risks, related to the coverage and treatment of public sector debt and other information.

Public Sector Coverage

16. The LIC-DSF is expected to be based on near-complete coverage of public and publicly guaranteed (PPG) debt of the public sector. This is because broad public debt coverage is important to arrive at an assessment of risk of debt distress that is comparable across countries. More importantly, a narrow definition of public debt can contribute to unexpected increases from sources outside the defined perimeter thus underestimating debt risks of the government (e.g., failure to cover parts of public debt incurred by financially weak public sector elements could lead to the eventual migration of such debt onto the government balance sheet). Some of the tools such as debt coverage assessment and stress tests in the LIC DSF are designed to compensate for weaknesses in limited debt coverage in LIDCs.

17. All non-financial state-owned enterprises (SOEs) that create significant fiscal risks should be included in LIC DSFs. SOEs are defined as public enterprises that are majority-owned by the government, but which can be excluded if they meet certain criteria, as explained in Appendix III of the LIC DSF guidance note. These include: ability to publish annual reports including financial statements, undergo regular independent audits, have independent management, borrow without a guarantee from the government, have no involvement in uncompensated quasi-fiscal activities and a track record of positive operating balances.

18. Public financial corporations are excluded in the LIC DSF. They are excluded because the netting out of assets and liabilities between the government and financial corporations would mask the true extent of debt vulnerabilities of a government (e.g., when government debt is largely held by public financial corporations including the central bank). However, the LIC DSF offers options to capture risks emanating from public financial corporations in the contingent liability stress test.

19. Central bank debt is included in the DSF if it is contracted on behalf of the government.[13] In contrast, central bank debt issuances or foreign exchange swaps for the purpose of conducting monetary policy or reserves management are excluded in the DSF.

[12]This is true also for the DSA for countries with market-access (MAC DSA).

[13]Borrowing from the IMF which is a member's obligation should also be considered the government's debt.

Table 1. Differences in the Treatment of Public Debt Data Between the Public Sector Debt Statistics (PSDS) and LIC-DSF

	PSDS	LIC-DSF (key differences from the PSDS)
Overall purpose	Compile and disseminate internationally-comparable debt statistics	Support LICs' efforts to achieve their development goals while minimizing the risk of debt distress
Coverage of debt	Public debt instruments as defined in SNA/GFS: SDRs; currency and deposits; debt securities; loans; insurance, pension, and standardized guarantee schemes; and other accounts payable	Same public debt instruments: - minus SDR allocations as IMF members are generally under no obligation to reconstitute these[1]
Private sector debt guaranteed by the public sector (including provided for borrowing by state-owned enterprises)	Treated as contingent liabilities, and not part of public sector debt. It can be reported as a memo item (**PSDSG, Table 5.1**) and using a standard table (**PSDSG, Table 5.8a**)	Included in the public sector debt stock
Other contingent liabilities	Contingent liabilities are not part of public sector debt and can be reported using a standard table (**PSDSG, Table 5.12**)	- Could include long-term obligations of the general government, such as unfunded liabilities of social security funds; and known and anticipated recognition of contingent liabilities. - Where the recognition of contingent liabilities is less certain, the LIC DSF's stress tests should assess the potential impact
Coverage of the public sector	Institutional coverage and sectorization as defined in 2008SNA/GFSM 2014 and PSDS Guide; external debt of the public sector, defined as central, state, and local governments, social security funds, and public financial and non-financial corporations	Near-complete coverage in line with 2008SNA/GFSM 2014 and PSDS Guide, but: excluding public financial corporations and including the central bank (when it borrows on the government's behalf).
Gross vs. net debt	Both gross and net debt can be reported (**PSDSG, Table 5.2**)	Gross debt
Valuation method	Nominal value, and for traded debt securities at market value as well (if market value is not available nominal value or face value could be used as a proxy)	Face value
Definition of external debt	Both by creditor residency and currency of denomination	By creditor residency. However, in cases of a lack of detailed information, debt denominated in foreign currency can be used as a proxy

[1]See Annex 4 of "Staff Guidance Note on the Application of the Joint Bank-Fund Debt Sustainability Framework for Low Income Countries," IMF and World Bank (2013).

Debt Instruments

20. The LIC DSF includes loans and debt securities (D1), as well as debt arrears and government guarantees in the public debt stock.[14] In addition, the LIC DSF can cover other liabilities, including unfunded obligations of social security systems; ongoing restructurings of financial institutions; demand or other guarantees in public private partnerships (PPPs) that have been or are poised to be triggered; verified and recognized obligations arising from a financial claim (e.g., ICSID) arbitration awards; and arrears owed to suppliers. Further, any omissions from the public debt would be picked up in the contingent liabilities stress test.[15]

21. Limited cases where debt should be excluded or the amount adjusted in the DSA are as follows:

- When the validity or the amount of a claim is in dispute, the entire amount in dispute should be treated as a contingent liability in the LIC DSF stress tests;
- Claims that are eligible for internationally-agreed debt relief, for example in post-HIPC completion point countries, should be excluded from the DSA;
- The amount of external arrears in the LIC DSF would be adjusted in line with restructuring agreements (e.g., external debt that Paris Club member countries have agreed to cancel but not yet reached legally-binding bilateral agreements).

Valuation Method

22. Debt is valued at face value in LIC-DSF. Data provided by national debt offices authorities are the primary source of debt input in the DSA.

REPORTING AND DISSEMINATION OF PUBLIC SECTOR DEBT DATA OF LIDCS

A. Statistical Reporting Systems

23. LIDCs report debt data to four main statistical databases, hosted by the IMF and World Bank, which are closely aligned with international definitions: Quarterly Public Sector Debt Statistics (QPSDS), Quarterly External Debt Statistics (QEDS), Government Finance Statistics (GFS, annual), and the Debtor Reporting System (DRS) from which the aggregate data are published

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[14]A loan contracted by an SOE and guaranteed by an IDA guarantee—where the government gets into an indemnity agreement with IDA—would also be treated as a debt under the LIC DSF.

[15]The contingent liabilities stress test is composed of shocks emanating from other elements of the general government, SOE debt (guaranteed and not guaranteed), PPPs, and financial market vulnerabilities that are not already captured in the headline debt indicators.

annually in the International Debt Statistics (IDS) database.[16] These databases were created for different purposes (Annex Table 2). Though similar data are presented, the coverage and definitions may differ for specific reasons. None of the databases separately collects data on contingent liabilities and, except for the DRS, publicly guaranteed debt, as well as the terms and conditions of contracts. Although extensive documentation accompanies each database, users may find it a challenge to understand the differences in the data content in terms of coverage and other dimensions. With the exception of the DRS, reporting to the databases is voluntary.[17]

Quarterly Public Sector Debt Statistics (QPSDS) database

24. **The QPSDS database is designed to collect the most comprehensive, detailed, and internationally comparable PSD data.** The database covers outstanding (external and domestic) debt of main subsectors of the public sector (i.e., budgetary central government, central government, general government, nonfinancial public corporations, and financial public corporations) with breakdowns by: original and remaining maturity and type of instrument; currency of denomination; and residency of creditors.[18]

Quarterly External Debt Statistics (QEDS)

25. **The QEDS database provides external debt statistics for general government and the central bank, as part of a country's total external debt.** The database contains gross external debt (defined by residency, not currency of denomination) by sector and broken down by debt instruments. The sector breakdowns include "general government", "central bank", "deposit-taking corporations, other than the central bank", and "other sectors," with public corporations being included in the latter two subsectors. The instrument breakdowns are similar but not identical to those in the QPSDS database.

Government Finance Statistics (GFS)

26. **The balance sheet data in the IMF's annual GFS database provide information for reporting countries that could be used in the QPSDS database and the public sector balance**

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[16]The Quarterly Public Sector Debt Statistics and Quarterly External Debt Statistics database are jointly administered by the IMF and the World Bank. The latter database brings together external debt data in line with the classifications and definitions of the *External Debt Statistics: Guide for Compilers and Users, 2013* (EDS Guide) and the 6th edition of the *Balance of Payments and International Investment Position Manual*, 2009. The IMF's GFS database contains annual data for all reporting countries in the framework of the GFSM2014.

[17]World Bank loans and financing for countries failing to meet basic DRS reporting requirements cannot be presented to the Board unless the country provides an acceptable plan of action for reporting on its external debt (Annex Table 2). IMF program conditionality can be used to strengthen debt statistics and coverage (this would be done on a case-by-case basis and subject to the requirement of macro criticality).

[18]The presentation tables in the PSDS Guide, chapter 5 provide the standardized format suitable for comprehensive debt reporting and analysis.

sheet database.[19] The annual GFS database contains full balance sheet data for general government and its subsectors, covering nonfinancial assets, financial assets and liabilities with more detailed instrument breakdowns than the QPSDS and QEDS. Since the questionnaire to collect data is designed to capture comprehensive information of government operations and balance sheets, the annual GFS database allows analyzing government debt in the context of broader fiscal developments and conducting stock-flow consistency checks for each debt instrument where data are available, including contingent liabilities.

World Bank's Debtor Reporting System (DRS)

27. The World Bank's DRS is the most comprehensive database on LIDCs external debt, collecting loan-by-loan information on PPG debt. It was established in 1951 but reporting to the DRS is only mandatory to active and potential borrowers of the World Bank. Though only aggregate information is published in the public domain in the IDS database for confidentiality reasons, the DRS is based on detailed debt information for public and publicly guaranteed external borrowing on a loan-by-loan basis.[20] The database is updated regularly and has granular information on individual debts, including on debt service schedule, concessionality, in addition to the basic lending terms such as maturity, grace period, and interest. Data accuracy and comprehensiveness is ensured by validation with other sources such as market data, creditor data, other external statistics such as BOP/IIP, QEDS—including data used in debt analytical exercises led by the World Bank and IMF, such as the medium-term debt strategy (MTDS) or DSA—and rigorous follow-up with government authorities. Using this database, users can conduct a meaningful analysis on both debt outstanding and future debt services as well as debt decomposition by creditor category and concessionality.

28. While the statistical databases serve different purposes, they pose demanding data reporting requirements on LIDCs. This is particularly important for countries that face capacity constraints in collecting and compiling debt statistics (Section V). For instance, the IMF/World Bank QPSDS and QEDS require countries to report over 560 series of data on a quarterly basis (although minimum requirements focus on a narrow set of data, and therefore should promote participation in these databases). Given the "public good" nature of such data, enhanced use of modern tools for data exchange would go a long way in reducing the reporting burden.

B. Data Dissemination Systems

29. Under the IMF's data dissemination standards, LIDCs are encouraged to compile and publish timely and comprehensive statistics, including public sector debt data. In particular, the enhanced General Data Dissemination System (e-GDDS) established in 2015 includes central government gross debt (to be disseminated quarterly within two quarters) as one of the data categories to be disseminated. The e-GDDS is designed to support transparency, encourage

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[19]The October 2018 Fiscal Monitor emphasizes the importance of capturing assets in the public sector balance sheet for a more thorough analysis of debt vulnerabilities and discusses the construction of a new public sector balance sheet database.

[20]The DRS also includes data on SOEs' debt in 41 countries.

statistical development, and help create synergies between data dissemination and surveillance through the effective use of modern information technology tools for data dissemination—common reporting platform, provision of sufficient metadata, and adherence to disciplined timetable for data dissemination. Debt data transparency could be improved further by subscribing to the higher tiers of the IMF's data dissemination standards where debt data is a mandated category under the observance procedures.[21]

C. National Reporting Systems

30. The debt coverage at the national level is often narrower than the internationally agreed statistical definition. This is due to (i) national or regional definition of debt which deviate from international standards, or (ii) institutional frameworks that do not give explicit mandate to the debt office or statistics department to collect the relevant data. As a result, coverage of 'public sector' debt statistics is limited to the budgetary central government in many LIDCs.

31. Debt statistics in LIDCs refer mostly to the narrowest coverage (loans and securities), and often guarantees. The only additional category partially covered (in 8 percent of LIDCs) are other accounts payable which can be quite large, especially in countries facing tight liquidity constraints. The least reported instrument across all countries is constituted by IPSGS, which do not enter in the debt definitions in most of the national legislations. Similarly, contingent liabilities are rarely monitored or quantified.

32. Most LIDCs are recording debt at face value only. Nominal and face value definitions tend to be used interchangeably. Given that most LIDCs use debt recording systems (e.g., Commonwealth's COMSEC and UNCTAD's DMFAS) that define debt in their software at face value and do not allow computation of market value, it is reasonable to infer that most of them record and monitor debt at face value only. This is consistent with DSA requirements but deviates from international standards.

33. With respect to method of accounting, two thirds of LIDCs still use a cash basis. From an analytical perspective, the use of cash accounting can lead to unexpected surprises in the form of accounts payable through accrued obligations (i.e. arrears) that are only discovered when the payment is requested, or inaccurate valuation of securities issued below or above par and recorded at face value.[22]

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[21]https://dsbb.imf.org/sdds/overview.

[22]The importance of recognizing all commitments has also been noted in the recent *G-20 Note: Strengthening Public Debt Transparency– the Role of the IMF and the World Bank*.

D. Reporting to International Databases and for LIC Debt Sustainability Analysis

34. The DRS has the broadest country and public sector coverage for LIDCs and the most granular information on external public sector debt (Annex Table 3). However, reporting to the DRS is limited only to active and potential borrowers of the World Bank. All but two LIDCs (out of 59 countries) have reported loan-by-loan debt information to DRS of which 53 countries have reported through 2018. The coverage of public sector is broadest under DRS with around 85 percent of countries having reported external debt contracted by their development banks and/or SOEs.

35. Only half of LIDCs have been reporting to other databases as it is voluntary. Coverage of QPSDS—which is the most consistent with international standards—is the most limited with less than one third of LIDCs (17 countries) having reported in the past and only 10 countries through 2019Q3. Countries tended to use the central government for public sector coverage whereas debt instrument coverage varies across countries with 7 countries using the narrowest definition (D1). Despite extensive engagement and support provided by the IMF Statistics Department to member countries' GFS compilers, compliance remains uneven especially among LIDCs.[23]

36. Most LIDCs have produced a DSA using the new LIC DSF, and its implementation since July 2018 has begun to improve disclosure of public debt statistics. LIDCs are typically required to have a DSA prepared on an annual basis in the context of IMF Article IV consultations and annual IDA credit-grant allocations.[24] For this purpose, all countries are reporting debt data tailored to the LIC DSF requirements. As of end-December, 56 countries eligible to use the revised LIC-DSF have prepared a DSA. So far, the strengthened data provision in the revised LIC DSF has led to larger disclosure of public sector debt data in the DSAs of eleven countries, including on non-guaranteed SOEs' debt, which was previously only occasionally reported.[25] Further progress is expected to take time, including related to the implementation of capacity development. Guarantees are now included in over 90 percent of the LIC DSAs, and the number of countries reporting state/local government and SOEs' debt has increased over the last two years (Figure 3).

STATISTICAL TREATMENT OF COMPLEX DEBT-CREATING ARRANGEMENTS

37. In recent years, certain debt-creating arrangements have given rise to debt transparency issues. These generally relate to "off-balance sheet" exposures. Care is needed in

[23]http://data.imf.org/?sk=A0867067-D23C-4EBC-AD23-D3B015045405.

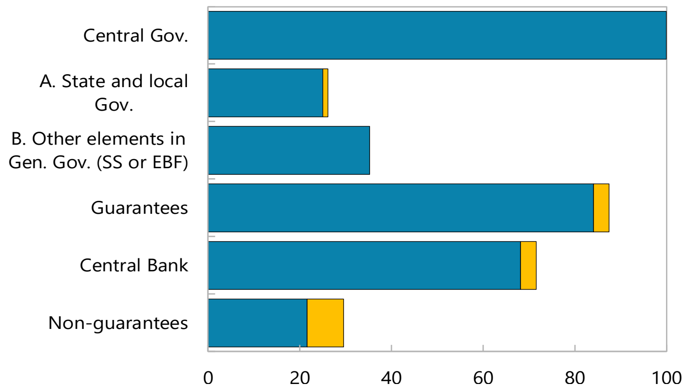
[24]Around 50 LICs have conducted a DSA each year during the past 5 years.

[25]It is worthwhile noting that there are many LIDCs where state/local governments and SOEs cannot borrow debt independently without a government guarantee under their relevant laws.

accounting for them in official statistics and LIC DSFs. This section discusses PPPs, collateral and collateral-like debt, debt obligations relating to pension entitlements, and trade credits.

Figure 3. Improvement in Debt Coverage in LIC-DSAs Since July 2018

(in percent, DSAs to date)



Sources: Fund staff calculations based on DSAs conducted under the new LIC-DSF (as of mid-October 2019). Yellow-shaded parts represent progress under the implementation of the new LIC DSF.

Public-Private Partnerships

38. According to the international standards, PPP contracts could give rise to debt liabilities of the public sector depending on their design. PPPs are long-term contracts between two entities, whereby typically one entity acquires or builds an asset or a set of assets, operates it for a period, and then hands over the asset to a second entity (e.g., a general government or public sector unit). The statistical treatment as to whether PPP contracts create debt liability depends on the economic ownership (not legal ownership) of the assets involved: the economic owner of an asset is the entity which is entitled to claim benefits associated with the use of the asset by virtue of accepting the associated risks. If the government is assessed as being the economic owner of the assets during the contract period but does not make any initial payment for the purchase of the assets at the beginning of the contract period, a transaction must be imputed to cover the acquisition of the assets. In such a case a loan should also be imputed and recorded and subsequent actual government payments to the private partner could be partitioned so that a portion of each payment represents repayment of the loan. If the private partner is assessed as being the economic owner of the asset during the contract period, any debt associated with the acquisition of the asset should be attributed to the private partner.

39. Government guarantees provided for payments under a Power Purchase Agreement (PPA) in the context of a PPP agreement do not constitute debt. While the central government often guarantees payment obligations owed by a SOE as an off-taker to a private independent power producer (IPP), this guarantee would not be included in the public debt stock until the IPP calls on the guarantee. In the LIC DSF, however, this should be evaluated as a potential contingent liability in the stress test.[26]

Collateral and Collateral-like Debt

40. Collateralized debt obligations or asset-backed securities issued by a public sector unit constitute PSD. Most collateral borrowing is correctly accounted for as debt, but some collateral arrangements create confusion. In the case of an indirect collateralized arrangement, where the collateral is for example assigned to a special purpose vehicle (SPV) which then grants it (or shares in the SPV) to the creditors as collateral and the SPV is responsible for servicing the debt, this should be included in the public debt in DSAs, given the government can become liable for the SPV's obligations even if the SPV is a separate and fully independent entity from the government.[27]

41. Some commodity-backed arrangements are not collateralized loans in a strict legal sense but are collateral-like transactions and thus need to be reported as debt. For example, a commodity barter transaction or a pre-purchase agreement related to forward sales of commodities. These can be considered as upfront payment for future delivery of goods or services but can create an obligation for repayment over an extended period of time.

Debt Obligations Relating to Pension Entitlements

42. Pension entitlements of public sector employees with employment-related pension systems constitute debt of the public sector. Pension entitlements are financial claims that existing and future pensioners hold against the government as an employer or a fund designated by the government to pay the pension earned. The statistical method to calculate the debt liability arising from employment-related pension schemes depends on whether the scheme is a defined-benefit scheme or a defined-contribution scheme. In the former, the level of pension benefits is pre-determined and guaranteed, and the present value of any unfunded obligations (i.e., future obligations that would exceed the amount of assets held by the pension fund) is considered a debt liability. In the latter, benefits that will be paid eventually depend on the financial performance of the pension fund, and the market value of financial assets held by the pension fund (which could change depending on market conditions). Therefore, such a scheme will not involve a debt liability. Unfunded liabilities of social security funds, when they are not explicitly recognized as part of general government debt, can be included in the LIC DSF.

[26]Generally, the risks related to PPPs are illustrated through a default shock where 35 percent of the country's PPP capital stock (proxying for the present value of direct and potential future fiscal costs from PPP distress and/or cancellations) is triggered under the contingent liabilities stress test in all DSAs when the PPP stock is larger than 3 percent of GDP.

[27]SPV arrangements should be assessed on a case-by-case basis. It is possible that underlying legal documentation may grant investors claims on government resources in the event of default, notwithstanding the assignment of collateral to the SPV. Moreover, a determination should be made, based on the GFSM2014, about whether the SPV is truly an independent entity or if it should be classified as part of the general government.

Trade Credits

43. Trade credits used to meet long-term investment needs should be recorded as debt. Unlike in the statistical treatment, "self-liquidating" trade credits where importers play only an intermediation role by purchasing goods from exporters for immediate onward sale can be excluded from the LIC DSF. Trade credit with a maturity longer than one year should be included in the DSA, because (i) proceeds of sales might be used for different purposes than to repay the trade credit; and (ii) currency mismatches might become an issue. The SOE's financial soundness is also an important consideration in determining whether trade credit is risky. There have been some cases where state enterprises have built up significant short-term facilities for importing capital goods. Judgement is needed about when short-term facilities may be substituting for longer-term facilities and thus should be included in analytical measures of debt.

FACTORS LIMITING REPORTING OF DEBT DATA BY LIDCS[28]

44. A number of factors impede LIDCs from compiling and reporting comprehensive public debt data. These include capacity constraints, the treatment of debt in their legal frameworks and unclear definitions of public debt under national laws, and weak governance.[29]

Capacity Constraints to Collect, Compile and Disseminate Debt Statistics

45. In LIDCs, government resources—both human resources and IT infrastructure —are scarce and constrain the capacity to collect, compile and disseminate debt statistics. Results from the World Bank's Debt Management Performance Assessment (DeMPA) conducted since 2015, suggest that less than 50 percent of the LIDCs meet the minimum requirements in staff capacity and HR management. Investing in statistical capacity is difficult to achieve in LIDCs where other developmental objectives may have higher priority than providing high quality statistics, which is a long-term commitment with results that are less tangible to the general public. These capacity constraints are especially important when considering the debt of public corporations, social security funds, extrabudgetary funds and subnational governments who may themselves have weak governance structures or limited incentives to co-operate with government officials. Where debt management offices have limited capacity to collect information on debt, data collection will be limited to central government. Also, legal capacity for governments to appropriately evaluate loan contracts is sometimes limited.

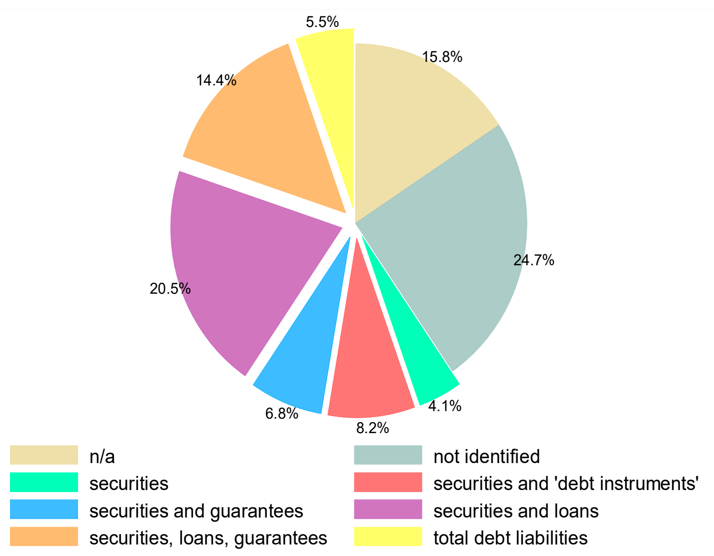
[28]For more detailed discussion, please see *G-20 Note: Improving Public Debt Recording, Monitoring, and Reporting Capacity in Low and Lower Middle-Income Countries: Proposed Reforms*.

[29]It should be noted that enhancing debt transparency also depends on increased efforts made by creditors. For example, there have been cases where a non-disclosure clause embedded in a loan agreement prevented debtor countries from disclosing the important nature of debt contracts. The G20 operational guidelines for sustainable financing encourage creditors to share information on their lending and contractual terms.

Legal Framework

46. LIDCs often lack a clearly-defined legal framework for debt management requiring the compilation and reporting of debt statistics. The responsibility to compile, record, and report debt statistics should be clearly established in a country's legal framework and delegated to a specific agency with credible enforcement mechanisms in the case of noncompliance. The most comprehensive evaluation of debt management in LIDCs, the DeMPA framework, found that only half of a sample of seventeen LICs and LMICs between 2015 and 2017 "have legal frameworks that clearly define the delegation of authority to borrow and undertake debt management activities including the issuance of guarantees, all on behalf of the central government." Ambiguously defined authority and responsibilities would limit the ability of central governments to manage and monitor public debt in a comprehensive manner. In order to give an idea of instrument coverage in legal frameworks (Debt Management/Public Finance Management Acts), Figure 4 below provides a breakdown of the language used (if any) relating to debt instruments covered.

Figure 4. Instrument Identification in Legal Frameworks in LIDCs



Sources: Bank staff calculation, based on Debt Management and/or Public Finance Management Laws (n. countries =59).

47. Where coverage of public sector debt is narrowly defined in legislations, debt compilers do not have the legal backing to collect debt statistics from broader public agencies. Debt definitions in national laws often do not cover debt of public sector entities outside of the central or general government such as public corporations, making it difficult for PSDS compilers to seek cooperation from broader public sector entities, especially when faced with the capacity constraints discussed above.[30]

Governance

48. The lack of strong incentives for senior administrative and political management is one of the impediments underpinning weaknesses in debt recording, monitoring and reporting. The weak incentives relate to lack of demand for reliable, timely and comprehensive data, limited public scrutiny, and limited integration with other PFM systems and in some cases, poor alignment between statistical reporting entities and the accountability structure of government. Also, audits of debt management operations in LIDCs are rare. This might have discouraged LIDCs to pursue more comprehensive coverage of debt statistics, adopt modern IT infrastructure, and strengthen legal backing with credible enforcement mechanisms for noncompliance. Moreover, grey areas in the definition and coverage of debt can create incentives for authorities to engage in activities that are not included in recorded and disclosed debt. For instance, in the case of PPP contracts where the ability to not record and disclose related fiscal risks and keep them off the government's balance sheet (contingent liabilities) may lead to a 'PPP bias' where governments engage in these type of contracts as they will have no effect on public sector debt statistics even if they increase the risk of future debt surprises.

PRIORITIES TO IMPROVE PUBLIC DEBT DATA AVAILABILITY

49. Against this backdrop, there are a number of priorities to improve debt data availability. There are already initiatives underway in some of these areas:

- **Strengthen the legal framework and institutional capacity to enhance debt reporting and debt transparency.** This would require capacity development in these areas to be prioritized in the context of a country's capacity development strategy.

- **Promote the use of the standard definitions and concepts of PSD to enhance sector and debt instrument coverage.** The PSDS Guide developed jointly with several international institutions provides such a definition. This definition is also informing the LIC-DSF. Further promoting the use of the definition can be achieved by encouraging debt managers in LIDCs to take the newly-launched IMF online course on PSDS and other capacity development activities.

[30]For instance, in both CEMAC and EAMU convergence criteria, the debt coverage in the debt rules is for the central government only. In Mongolia, the 2015 Debt Management Law has narrowed the debt definition from public to general government.

- **Enhance the QPSDS database, which can serve—together with DRS—as a global source of timely and comprehensive public debt data.**[31] The QPSDS database, which is intended to cover all countries, is already being used for monitoring progress under the G-20 Data Gaps Initiative. To adequately serve this global purpose QPSDS coverage (country, sector, and instrument), countries' compliance, and data validation all need to be improved through intensive technical assistance. Concerted and sustained efforts are needed from both the IMF/World Bank and the reporting countries to enhance awareness (through outreach), strengthen motivation given voluntary reporting (by highlighting that improved transparency would facilitate creditors' lending decisions by reducing uncertainty), and extend capacity development support.

- **Enhance the World Bank's DRS to capture more granular details on the terms and conditions of loans, including collateralization features and domestic debt.** This would provide more detail for use in the DSAs and address some of the debt transparency issues highlighted by the G20, such as the risks arising from collateralized debt obligations. This would require systematic collection of additional instrument-level information. Collecting additional granular information associated with specific transactions would require both capacity to assess appropriate statistical treatment and implementation of a process that encourages and supports provision of data. On this front, the World Bank is already in the process of piloting an initiative to expand the DRS' debt coverage to domestic debt.

- **Reduce the reporting burden.** The harmonization of the debt definition and reporting templates currently used by IFIs would simplify the data compilation. At a country level, there should be a single reporting channel that would source multiple databases. This can be achieved by encouraging LIDCs to use data structure definitions to unify their databases and to utilize modern IT tools for data dissemination (a common reporting platform, provision of sufficient metadata, and adherence to disciplined timetable for data dissemination). The IMF and the World Bank will continue to collaborate with the two main debt software providers (COMSEC and UNCTAD) to encourage LIDCs to harmonize debt definitions and compile debt based on international standards.

- **Continue to implement the new LIC DSF requirements.** Write-ups should include a full description of the data used for the analysis and this can be posted on the respective IMF-World Bank DSF websites to give it greater visibility. Disclosure of the coverage of public sector and debt instruments also needs to continue being strengthened under the LIC DSF. A continued review and support of debt data reporting in DSAs is warranted and can be discussed in the context of updates on the multi-pronged approach. Further guidance may need to be issued by the IMF/World Bank on how to treat complex debt arrangements.

[31] Nearly all LIDCs are currently reporting to the DRS. This therefore begs the question as to why the DRS should not just be used to collect both external and domestic public debt. Nonetheless, it is important to have a database to which all countries can report debt data in a comparable and consistent format.

Annex. Country Coverage, Debt Data in International Databases, and Reporting Status by Country

Annex Table 1. List of Low-Income Developing Countries

Afghanistan	Honduras	Rwanda
Bangladesh	Kenya	Sao Tome and Principe
Benin	Kiribati	Senegal
Bhutan	Kyrgyz Republic	Siera Leone
Burkina Faso	Lao P.D.R.	Solomon Islands
Burundi	Lesotho	Somalia
Cambodia	Liberia	South Sudan
Cameroon	Madagascar	Sudan
Central African Republic	Malawi	Tajikistan
Chad	Mali	Tanzania
Comoros	Mauritania	The Gambia
Cote d'Ivore	Moldova	Timor-Leste
Democratic Republic of the Congo	Mozambique	Togo
Djibouti	Myanmar	Uganda
Eritrea	Nepal	Uzbekistan
Ethiopia	Nicaragua	Vietnam
Ghana	Niger	Yemen
Guinea	Nigeria	Zambia
Guniea-Bissau	Papua New Guinea	Zimbabwe
Haiti	Republic of Congo	

Note: The country grouping is according to the IMF World Economic Outlook, April 2019.

Annex Table 2. Public Sector Debt Data in the International Databases

Database	Institution	Coverage[1]	Main purposes/collection mechanism	Frequency	Latest available data
1. Statistical database					
Quarterly Public Sector Debt Statistics	IMF/WB	BCG, CG, GG, NFC, FC, PS	Collect and disseminate public sector debt statistics based on the PSDS Guide. Data are reported on voluntary basis using a questionnaire form.	Quarterly	2019Q2
Quarterly External Debt Statistics	IMF/WB	CG, GG, NFC, FC, PS	Collect and disseminate comparable cross-country external debt statistics based on the EDS Guide. Data are reported on voluntary basis using a questionnaire form.	Quarterly	2019Q2
Government Finance Statistics	IMF (Statistics Department)	BCG, EBF, SSF, CG, SG, LG, GG	Collect and disseminate government finance statistics (including balance sheet data) based on the GFS Manual. Data are reported on voluntary basis using a questionnaire form.	Annual	2017
2. Database for IMF surveillance					
World Economic Outlook Database	IMF (Research Department)	GG	Contains selected macroeconomic data series from the statistical appendix of the World Economic Outlook report, which presents the IMF staff's projections of economic developments at the global level, in major country groups and in individual countries. Data provided for IMF surveillance are sent from IMF country teams to the database.	Semi-annual	2019H2
Global Debt Database	IMF (Fiscal Affairs Department)	CG, GG, NFC, PS	Comprises total gross debt of the (private and public) nonfinancial sector for an unbalanced panel of 190 advanced economies, emerging market economies and low-income countries, dating back to 1950. It adopts a multidimensional approach by offering multiple debt series with different coverages. The integrity of the data has been checked through bilateral consultations with officials and IMF country desks of all countries in the sample, setting a higher data quality standard.	Annual	2017

Annex Table 2. Public Sector Debt Data in the International Databases (concluded)

Database	Institution	Coverage[1]	Main purposes/collection mechanism	Frequency	Latest available data
Public Sector Balance Sheet	IMF (Fiscal Affairs Department)	CG, GG, NFC, FC, PS	Shows comprehensive estimates of public sector assets and liabilities that formed the basis for the analysis presented in the October 2018 edition of the Fiscal Monitor. The database originally covered public sector balance sheets for a broad sample of 31 countries, covering 61 percent of the global economy. Since October 2018, the database has been updated with PSBS data for another 7 countries and now covers 63 percent of the global economy. The PSBS database is compiled on a best efforts basis, using the conceptual framework of the GFS Manual 2014. Data for the central and general government generally replicate data reported by country authorities in the IMF's Government Finance Statistics database. Data for the central bank generally replicate data reported by country authorities in the IMF's Monetary and Finance Statistics database. Where these data fail to cover all categories of assets and liabilities, they are complemented by other data reported by statistical authorities at the national level, other international organizations, or staff estimates. Data sources for public corporations are country specific and are captured in the country specific metadata documents.	Annual	2016
			3. Loan-by-loan data		
Debtor Reporting System	World Bank	CG, GG, NFC, FC, PS	Since 1951, World Bank Debtor Reporting System requirements were instituted (as per OP 14.10), any country (Government Authority) that borrows from IBRD or IDA is required to provide comprehensive information on its external debt obligations until all obligations to IBRD and IDA are expunged. The underlying rationale for the collection of these data was to enable the World Bank to assure itself of the debt servicing capacity of the countries to which it lent. In existence for over sixty years, the rationale for the DRS was an institutional need to be able to assess the creditworthiness and debt servicing capacity of Bank borrowers. Reporting requirements demand for quarterly reporting of new borrowing commitments of public and publicly guaranteed debt, an annual loan-by-loan statement of stocks and flows, and an aggregate reporting of stocks and flows on private non-guaranteed debt.	Quarterly reporting of the new commitment Annual reporting for individual transactions of the debt instruments	2019Q3 2018

[1]BCG: Budgetary central government; CG: Central Government; EBF: Extrabudgetary Funds; LG: Local Government; SG: State Government; SSF: Social Security Funds; GG: General Government; NFC: Nonfinancial Public Corporations; FC: Financial Public Corporations; and PS: Public Sector. Central bank data are included in the data for financial public corporations (FC).

Annex Table 3. Reporting Status of Public Sector Debt by LIDCs[1]

		QPSDS[2/]		QEDS[3/]		GFS[2/]		DRS[4/]		e-GDDS[2/]	
		First	Last	First	Last	First	Last	First	Last	First	Last
1 Afghanistan	Data reported			2017Q1	2019Q2	2004	2006	2006	2018		
	Coverage	N/A		PSE, PrSE/SRD, C&D, Ln		BCG/D2		GG, CB & SOEs		N/A	
2 Bangladesh	Data reported	2009Q3	2019Q2	2013Q3	2019Q2			1972	2018	2011Q1	2019Q2
	Coverage	PS/D4		CG, PrSE/ADI		N/A		GG, CB & SOEs		CG/Domestic	
3 Benin	Data reported							1970	2018	2015Q1	2016Q3
	Coverage	N/A		N/A		N/A		GG, CB & SOEs		CG/D1	
4 Bhutan	Data reported					2003	2018	1981	2018	2012	2018
	Coverage	N/A		N/A		BCG/D2		GG, CB & SOEs		CG/D1	
5 Burkina Faso	Data reported			2008Q1	2019Q2			1970	2018	2005	2017
	Coverage	N/A		CG/SDR,Ln		N/A		GG, CB, Dev. Banks & SOEs		CG/External	
6 Burundi	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
7 Cambodia	Data reported			2008Q4	2019Q2			1981	2018	1995	2016
	Coverage	N/A		PSE, PrSE/SRD, C&D, Ln, Other		N/A		GG, CB & SOEs		CG/D1	
8 Cameroon	Data reported			2007Q4	2019Q2			1970	2018	2017Q1	2019Q2
	Coverage	N/A		PSE, PrSE/DS, Ln		N/A		GG, CB, Dev. Banks & SOEs		CG/D1	
9 Central African Republic	Data reported			2009Q2	2010Q3			1970	2018		
	Coverage	N/A		PSE/ Ln		N/A		GG, CB, Dev. Banks & SOEs		N/A	
10 Chad	Data reported							1970	2015		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
11 Comoros	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
12 Congo, DR	Data reported	2013Q3	2019Q2			1972	1989	1970	2018		
	Coverage	GG/D3		N/A		CG/D1		GG, CB, Dev. Banks & SOEs		N/A	
13 Congo, Republic of	Data reported					2009	2010	1970	2018		
	Coverage	N/A		N/A		CG/D3		GG, CB, Dev. Banks & SOEs		N/A	
14 Cote d'Ivoire	Data reported	2017Q1	2019Q2	2010Q2	2019Q2			1970	2018	2006	2015
	Coverage	PS/D4		PSE/DS, Ln		N/A		GG, CB, Dev. Banks & SOEs		CG/D1	
15 Djibouti	Data reported			2017Q4	2019Q2			1970	2018		
	Coverage	N/A		PSE, PrSE/SRD, C&D, Ln, Other		N/A		GG, CB & SOEs		N/A	
16 Eritrea	Data reported							1994	2009		
	Coverage	N/A		N/A		N/A		CG & CB		N/A	
17 Ethiopia	Data reported			2007Q1	2019Q2	2014	2018	1970	2018		
	Coverage	N/A		GG/SDR, Ln, DS		BCG/D4		GG, CB, Dev. Banks & SOEs		N/A	
18 Gambia, The	Data reported					2005	2009	1970	2018		
	Coverage	N/A		N/A		CG/D1		GG, CB & SOEs		N/A	
19 Ghana	Data reported			2006Q3	2011Q3			1970	2018	2018M1	2019M3
	Coverage	N/A		CG/SDR, DS, Ln		N/A		CG, CB, Dev. Banks & SOEs		CG/D1	
20 Guinea	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	

Annex Table 3. Reporting Status of Public Sector Debt by LIDCs[1] (continued)

		QPSDS[2/]		QEDS[3/]		GFS[2/]		DRS[4/]		e-GDDS[2/]	
		First	Last	First	Last	First	Last	First	Last	First	Last
21 Guinea-Bissau	Data reported							1975	2018		
	Coverage	N/A		N/A		N/A		CG & CB		N/A	
22 Haiti	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB & SOEs		N/A	
23 Honduras	Data reported	2000Q1	2019Q2	2002Q4	2019Q2			1970	2018		
	Coverage	PS/D3		PSE, PrSE/SRD,DS, Ln		N/A		GG, CB & SOEs		N/A	
24 Kenya	Data reported	2009Q2	2017Q4	2008Q2	2019Q2	2009	2011	1970	2018	2017Q3	2018Q3
	Coverage	PS/D1		PSE/ Ln		BCG/D1		GG, CB, SOEs		CG/D1	
25 Kiribati	Data reported			2013Q1	2014Q4						
	Coverage	N/A		PSE, PrSE/SRD, Ln		N/A		N/A		N/A	
26 Kyrgyz Republic	Data reported	2014Q1	2019Q1	2003Q3	2019Q2	2014	2018	1970	2018		
	Coverage	GG/D1		PSE, PrSE/SRD, C&D, DS, Ln, Other		GG/D4		GG & CB		N/A	
27 Lao PDR	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB & SOEs		N/A	
28 Lesotho	Data reported							1970	2018	2004	2015
	Coverage	N/A		N/A		N/A		GG, CB, SOEs		CG/D1	
29 Liberia	Data reported			2011Q4	2016Q4	2011	2012	1970	2018		
	Coverage	N/A		PSE/Ln		CG/D2		GG, CB & SOEs		N/A	
30 Madagascar	Data reported	2011Q1	2019Q2	2007Q1	2019Q1	1972	1974	1970	2018		
	Coverage	CG/D1		PSE, PrSE/SRD, C&D, TC&A, Ln, Other		CG/D1		GG, CB, Dev. Banks & SOEs		N/A	
31 Malawi	Data reported	2011Q1	2014Q3			2009	2018	1970	2018	2014Q3	2016Q2
	Coverage	PS/D2		N/A		BCG/D2		GG, CB & SOEs		CG/D2	
32 Mali	Data reported					1980	1986	1970	2018		
	Coverage	N/A		N/A		CG/D1		GG, CB, Dev. Banks, & SOEs		N/A	
33 Mauritania	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
34 Moldova	Data reported	2009Q3	2019Q2	2004Q1	2019Q2	2011	2018	1992	2018		
	Coverage	PS/D2		PSE, PrSE/ADI		GG/D4		GG, CB, Dev. Banks & SOEs		N/A	
35 Mozambique	Data reported					2016	2018	1984	2018		
	Coverage	N/A		N/A		BCG/D4		GG, CB & SOEs		N/A	
36 Myanmar	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
37 Nepal	Data reported	009Q1-2016Q	018Q3-2019Q	2009Q2	2019Q2	1974	1989	1970	2018	2013Q3	2016Q4
	Coverage	BCG/D1		GG, PrSE/SDR, C&D, Ln		CG/D1		GG, CB & SOEs		CG/D1	
38 Nicaragua	Data reported	2010Q1	2019Q1	2007Q3	2019Q2			1970	2018		
	Coverage	PS/D3		PSE, PrSE/SRD, C&D, TC&A, Ln		N/A		GG, CB, Dev. Banks & SOEs		N/A	
39 Niger	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	

Annex Table 3. Reporting Status of Public Sector Debt by LIDCs[1] (concluded)

		QPSDS[2/]		QEDS[3/]		GFS[2/]		DRS[4/]		e-GDDS[2/]	
		First	Last	First	Last	First	Last	First	Last	First	Last
40 Nigeria	Data reported	2009Q4	2019Q1	2007Q4	2015Q4			1970	2018	2013Q4	2015Q4
	Coverage	PS/D1		PSE/SDR, LN		N/A		GG, CB, Dev. Banks & SOEs		CG/D1	
41 Papua New Guinea	Data reported			2011Q4	2019Q2	2014	2018	1970	2018		
	Coverage	N/A		PSE, PrSE/SRD, C&D, DS, TC&A, Ln		BCG/D2		CG, CB, Dev. Banks & SOEs		N/A	
42 Rwanda	Data reported	2017Q1	2019Q2	2006Q3	2019Q2	1977	1989	1970	2018	2015Q4	2019Q2
	Coverage	CG/D1		CG, PrSE/SRD, C&D, DS, Ln		CG/D1		GG, CB, Dev. Banks & SOEs		CG/D1	
43 Sao Tome & Principe	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG & CB		N/A	
44 Senegal	Data reported	2014Q1	2019Q2					1970	2018	2017Q2	2019Q3
	Coverage	CG/D2		N/A		N/A		GG, CB, Dev. Banks & SOEs		CG/D1	
45 Sierra Leone	Data reported			2007Q4	2018Q3			1970	2018		
	Coverage	N/A		CG/Ln		N/A		CG, CB & SOEs		N/A	
46 Solomon Islands	Data reported			2011Q1	2019Q2	2012	2018	1978	2018		
	Coverage	N/A		PSE, PrSE/SRD, C&D, DS, TC&A, Ln, other		BCG/D4		GG & CB		N/A	
47 Somalia	Data reported							1970	1992		
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		N/A	
48 South Sudan	Data reported										
	Coverage	N/A		N/A		N/A		N/A		N/A	
49 Sudan	Data reported							1970	2018		
	Coverage	N/A		N/A		N/A		GG, CB & SOEs		N/A	
50 Tajikistan	Data reported			2008Q1	2019Q2			1992	2018		
	Coverage	N/A		PSE, PrSE/ADI		N/A		GG, CB & SOEs		N/A	
51 Tanzania	Data reported	2010Q2	2014Q2	2010Q1	2013Q2			1970	2015	2014Q1	2015Q4
	Coverage	GG/D1		GG/SDR, Ln, Other		N/A		GG, CB & SOEs		CG/D1	
52 Timor-Leste	Data reported							2012	2018		
	Coverage	N/A		N/A		N/A		CG & CB		N/A	
53 Togo	Data reported	2011Q1	2011Q4			1983	1986	1970	2018	2008	2016
	Coverage	CG / D2		N/A		CG/D1		GG, CB, Dev. Banks & SOEs		CG/D1	
54 Uganda	Data reported	2009Q3	2019Q2	2006Q3	2019Q2	2018	2018	1970	2018	2015Q3	2019Q1
	Coverage	PS/D3		CG, PrSE/SRD, C&D, DS, Ln, TC&A, Other		GG/D4		GG, CB, Dev. Banks & SOEs		CG/D1	
55 Uzbekistan	Data reported							1991	2018	2017Q1	2019Q2
	Coverage	N/A		N/A		N/A		GG, CB, Dev. Banks & SOEs		CG/External	
56 Yemen, Republic of	Data reported			2006Q3	2018Q4			1970	2018		
	Coverage	N/A		CG/C&D, Ln		N/A		GG, CB, Dev. Banks & SOEs		N/A	
57 Zambia	Data reported			2011Q1	2019Q1	2010	2018	1970	2018	2009	2016
	Coverage	N/A		PrSe/Ln				GG, CB, Dev. Banks & SOEs		CG/D1	
58 Zimbabwe	Data reported							1970	2018		
	Coverage	N/A		N/A				GG, CB, Dev. Banks & SOEs		N/A	
59 Vietnam	Data reported							1981	2018		
	Coverage	N/A		N/A				GG, CB, Dev. Banks & SOEs		N/A	

1/ BCG: budgetary central government, CG: central government, GG: general government, PS: public sector, CB: central bank, SOEs: state-owned enterprises, and Dev. Banks: official development banks.
2/ D1: debt securities and loans, D2: D1 plus SDRs and currency and deposits, D3: D2 plus accounts payable, and D5: D4 plus insurance, pension, and standardized guarantee schemes.
3/PSE: public sector external debt, PrSE: private sector external debt, SDR: special drawing rights, C&D: currency and deposits, DS: debt securities, Ln: loans, TC&A: trade credits and advances, Other: other debt liabilites, and ADI : all debt instruments.
4/ For DRS, debt data is reported on a loan-by-loan basis for all countries.