Meeting of the IMF Government Finance Statistics

Advisory Committee
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GFSAC Regional Initiatives

Prepared by Andrew Kitili

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GFSAC Regional Initiatives

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Andrew Kitili
Government Finance Division
Outline

• Context

• Objectives of the Session

• Proposed GFSAC regional initiative and how it will achieve the desired results

• Organizational structure of GFSAC and how it relates to the proposed regional initiative

• Questions for GFSAC members
Context

➢ The Fund’s overarching strategy on data and statistics highlighted a number of key challenges facing the use of data for bilateral and multilateral surveillance.

➢ **Lack of cross-country comparability partly due to different levels of statistical capacity across the membership:**
   a) Operational data may follow national definitions, and methodologies could differ depending on varying levels of statistical capacity,
   b) Even when country data broadly align with latest compilation guidance, coverage and scope may differ owing to a country’s specific institutional framework.

➢ Many countries do not produce data for the broader public sector (including public enterprises) as opposed to the general government.

➢ **Limited cross-country data comparability is an obstacle to effective multilateral surveillance.**
Objectives of the Session

➢ Outline the rationale of the GFSAC regional initiative

➢ GFSAC regional objectives and how to achieve them
Key objectives of GFSAC

1. Address key fiscal statistical issues relevant for countries’ policy making and surveillance;

2. Foster the compilation and dissemination of high quality fiscal statistics in emerging and low-income economies;

3. Promote the analytical usefulness of annual and sub-annual fiscal data for internal and external users;

4. Provide guidance to countries with less developed statistical systems

5. Foster collaboration with Fund area departments in enhancing the provision of high quality and timely country data for surveillance;
Why introduce a regional initiative?

➢ Common challenges at regional level (AFR, APD, MCD, WHM)
   ❑ Weak institutional capacity for GFS statistics—high staff turnover.
   ❑ Lack of source data—both for GFS and PSDS.
   ❑ Slow adoption of international statistical standards—hinders cross-country data comparability.
   ❑ Data transparency issues—long lags in data dissemination.

➢ Weak support for statistics at the senior policy level
   ❑ Low priority for statistics—manifested in inadequate staffing of statistical units.
   ❑ Lack of coordination among government agencies—manifested in lack of source data for GFS and PSDS compilation.
Regional challenges in reporting GFS data to STA: AFR, APD, MCD, and WHD.
How can these challenges be addressed through the regional initiatives?

What should be the focus?

1. Foster the compilation and dissemination of high quality fiscal statistics in emerging and low-income economies.

2. Provide guidance to countries with less developed statistical systems.

3. Foster collaboration with Fund area departments in enhancing the provision of high quality and timely country data for surveillance.
What should be done as a priority?

➢ Outreach to senior policymakers
  a. Support for GFS at senior policy level established
  b. Accountability mechanism for improving GFS data agreed with stakeholders

➢ Enhance collaboration with key stakeholders—internal and external
  a) Establish reliable and timely source data for GFS and PSDS,
  b) Establish stronger support for adoption of international standards (e.g., implementation of GFSM 2014)

➢ Set up a forum for exchange of experiences among regional peers
  a) Develop a pool of regional GFS experts
  b) Share best practices and common goals (e.g., broader sectoral coverage of GFS data)
  c) Address perpetual staff turnover
How will the desired results be achieved?

- Piggyback on regional conferences for senior policymakers—FAD and relevant area departments.
- Establish a network of GFS compilers at regional level—exchange experiences and monitor progress through peer pressure.
- Identify champions for the regional initiative through effective collaboration—FAD, area departments, and stakeholders at large.
- Develop strong coordination through GFSAC Secretariat and GFSAC members.
- Monitor progress through GFSAC plenary.
What are the key outcomes/outputs?

➢ Action plan developed, agreed, and supported by senior policymakers—e.g., migration of countries' macro-fiscal framework to GFSM 2014 framework for transmission of data to country teams.

➢ Regional networks of GFS compilers established to exchange experiences and monitor priority actions (newsletter, interactive web platform).

➢ Progress made in GFS and PSDS compilation.

➢ Progress made in adoption of international standards.

➢ Improved data transparency—availability of timely and harmonized fiscal data disseminated to STA and posted on the national summary data page.

➢ Progress reports submitted to GFSAC Plenary meetings.
Proposed organizational structure

Progress reports to GFSAC plenary

- Thematic regional seminars with key stakeholders between GFSAC plenary meetings (AFR, APD, MCD, WHD)
- Action plans developed: GFS compilers network groups
- GFSAC Plenary Meetings
  Once every two years
Points for discussion

- Do GFSAC members agree on the need to establish regional initiatives to improve GFS compilation?
- Do GFSAC members agree on the proposed organizational structure?
- How can we make the proposed regional initiatives more effective in improving compilation of GFS in countries with low capacity?
- Do GFSAC members see their role in the regional initiatives?