Meeting of the IMF Government Finance Statistics Advisory Committee
Washington, D.C.

Progress with Globally Comparable Government Debt Statistics

Prepared by Deon Tanzer

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Progress with Globally Comparable Public Sector Debt Statistics

Deon Tanzer (Economist, Government Finance Division)
Meeting of the Government Finance Statistics Committee
Washington D.C., U.S.A.
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Public sector debt – what is it?

*Public Sector Debt Statistics: Guide for Compilers and Users:*

Gross debt is defined by: “all liabilities that are debt instruments. A debt instrument is defined as a financial claim that requires payment(s) of interest and/or principal by the debtor to the creditor at a date, or dates, in the future”

Special drawing rights (SDRs) +
Currency and deposits +
Debt securities +
Loans +
Insurance, pension, & standardized guarantee schemes (IPSGS)+
Other accounts payable.

≠ Financial derivatives
≠ Shares and Equity
Public sector debt – is it comparable?

Levels of government / public sector
  - Budgetary central government
  - Other government units
  - Nonfinancial public sector
  - Financial public sector

Coverage of instruments
  - Debt securities + Loans
  - + SDRs + Currency and deposits
  - + Other accounts payable
  - + IPSGS.

Consolidation
Nominal value vs market value
Cascading approach for presenting debt data

<table>
<thead>
<tr>
<th>Levels of Government</th>
<th>GL1</th>
<th>GL2</th>
<th>GL3</th>
<th>GL4</th>
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<td>Budgetary central government</td>
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<td>Extra budgetary units</td>
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<td>Social security funds</td>
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<td>State government</td>
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<td>Local government</td>
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<td>Nonfinancial public sector corps.</td>
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<td>Financial public sector corps.</td>
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<td>IPSGS</td>
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Cascading approach - Iceland

Composition of gross government debt for Iceland, as a percentage of GDP, 2012.

Source: IMF
Cascading approach - Canada

Composition of gross government debt for Canada, as a percentage of GDP, 2012.

Source: IMF
Consolidation - Spain

Composition of gross government debt for Spain, as a percentage of GDP, 2012.

Source: IMF
Nominal value vs market value

Source: OECD
Points for discussion

Do GFSAC members agree with the proposed cascading approach to present public sector debt statistics in a more internationally comparable manner?

What could be done to promote this approach in countries?