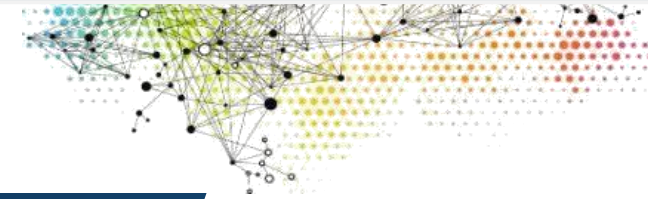


Work Plan



Christine Dieterich

Division Chief, IMF Statistics Department (STA)
June 22, 2018



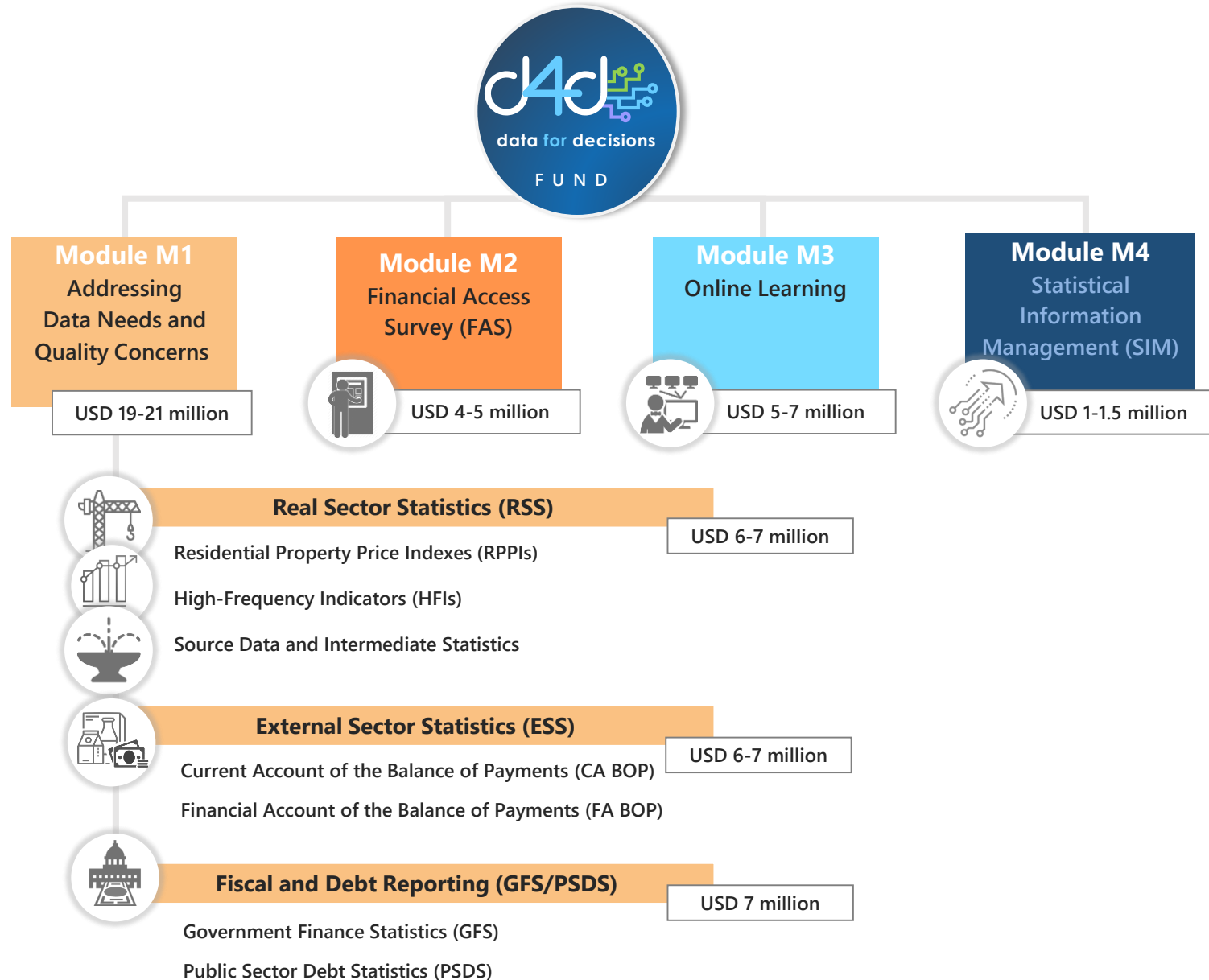
- Modules Overview
- General Issues
- Strategic and Country Logframes
- Workstreams Structure
- Real Sector Statistics
- External Sector Statistics
- Fiscal and Debt Reporting
- Financial Access Survey
- Online Learning
- Statistical Information Management





Advantages of the modular approach:

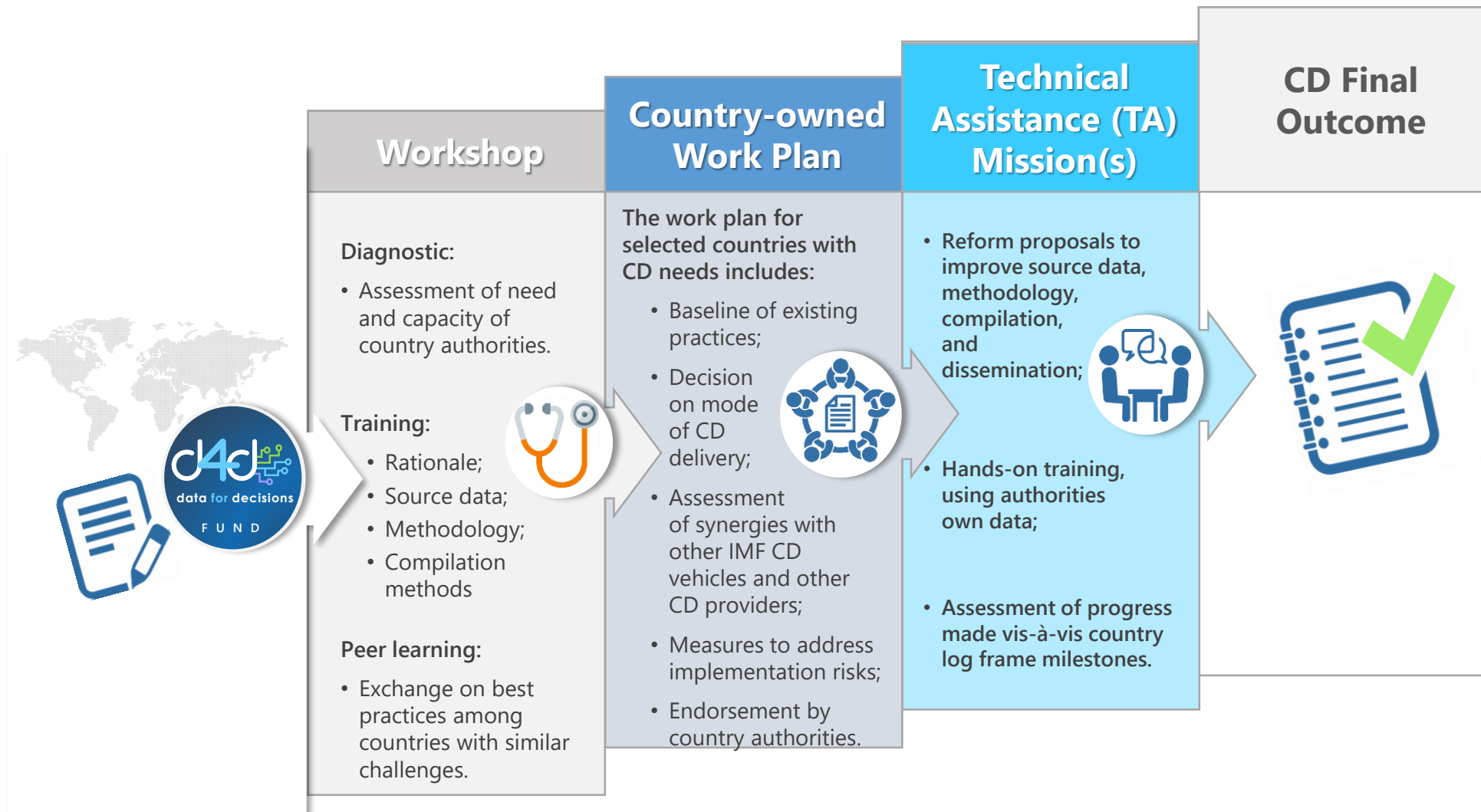
- Ability to respond to newly emerging issues;
- Flexibility to reallocate resources between countries and work streams;
- Long-term planning certainty, allowing engagement with countries consistent with their absorptive capacities;
- Efficient use of available resources within D4D Fund, but also with other IMF capacity development (CD) vehicles;
- Different paces in implementation across the four modules, three submodules and seven work streams.



Phasing of Workstreams

Modules	Submodules/Description	Work Streams	Fiscal Year					
			FY2019	FY2020	FY2021	FY2022	FY2023	
M1	Addressing Data Needs and Quality Concerns	Submodule: RSS	RPPIs					
			HFSIs					
			Source Data and Intermediate Statistics					
		Submodule: GFS/PSDS	Fiscal Reporting (GFS)					
			Debt Reporting (PSDS)					
		Submodule: ESS	Current Account BOP					
			Financial Account BOP					
M2	FAS	Sustain and expand the FAS						
M3	Online Learning	Develop and launch eight fundamental statistics courses						
M4	SIM	Provide advice on statistical information management practices and related technical environments						

Different Delivery Modes, Depending on Available Information and Diagnostics:



Strategic logframe

Country logframe

D4D's Strategic Objective		
Assist LLMICs in strengthening national statistical systems to cope with a challenging national and international policy environment, promote transparency and accountability, and offer efficient solutions to capacity development.		
Impact outcome	Indicators	Data Source
More and better data are available for decision-makers and analysts, with the ultimate objective of better informing economic policies and supporting monitoring of the SDGs.	Improvements in indicators across all macroeconomic and financial statistical domains.	Dissemination on National Summary Data Pages (NSDPs), IMF and/or World Bank databases, and/or country web sites; IMF's Article IV and program reports; follow-up assessments through IMF CD activities.
Objective Module 1: Policy-makers and the public have access to more and better data in three main statistical domains (real, external, and fiscal and debt statistics) to support policy analysis and formulation, detect economic risks and vulnerabilities, and enhance transparency and accountability.		
Real Sector Statistics:		
Objective 1: The residential property price index (RPPI) provides information about price trends in real estate which are important to assess risks in banks' balance sheets, as evidenced in numerous cases of banking sectors crises after real estate bubbles burst.		
Impact outcome	Indicators	Data Source
Strengthened compilation and dissemination of RPPIs, including by developing/improving the wider statistical infrastructure, source data, serviceability and metadata.	<p>At the end of the five-year D4D period:</p> <ul style="list-style-type: none"> for the around one-tenth of eligible countries that already have a basic RPPI: Compilation and dissemination will be brought in line with guidelines and best practices outlined in the Handbook on Residential Property Price Indices; and staff capacity will be increased through CD on further improving source data, compilation methods, and dissemination; for the around one-eighth of eligible countries that are currently working on the compilation of a RPPI: Staff capacity will be increased through CD on further improving source data, compilation methods, and dissemination; for the around four-fifths of eligible countries where no RPPI is available but economic analysis requires better real estate price data: Regional workshops will provide training on data needs and methodology, complemented by follow-up TA missions if there is sufficient progress in basic data collection. 	<p>Follow-up assessments through IMF CD activities. These may include assessments of capacity undertaken during bilateral TA missions or through the uses of workshop "before and after" quizzes.</p> <p>Dissemination on NSDPs and/or country web sites.</p>

The country logframe includes:

- **Baselines** developed from the country diagnostics
- Targeted **outcomes** of the CD activities, agreed with the country authorities
- **Milestones** to measure progress towards the outcomes

Project: STA Improve Capacity for Residential Property Price Indexes - Log Frame Dashboard

Country: Tunisia (TUN) | Topic: All

Country	Objective	Composite Rating (from Outcomes)	Outcome	Composite Rating (from Outcome Indicators)	Outcome Indicator/Milestone Description	Rating	Target Completion Date	Milestone Completion Date
Tunisia (TUN)	Strengthen compilation and dissemination of data on macroeconomic and financial		New data set		Outcome Indicator: New price statistics or IPI data sets are consistent with the existing manuals			
			Source data are adequate		Milestone: A new index, covering all dwellings, has been compiled and/or disseminated.		4/30/19	
			Staff capacity increased		Milestone: Source data needed to compile the RPPI are adequate.		12/31/18	
			Statistical techniques		Milestone: Discussions with data providers on securing access to more detailed data concluded. Other potential sources of data have been identified and assessed.		4/30/19	
					Milestone: The number of staff trained to compile and disseminate these statistics is adequate.		4/30/17	11/18/16
					Milestone: Three staff at each institution are trained on RPPI compilation according to methodological standards.	◆	4/30/17	
					Milestone: Identify topics where training is required.	◆	12/31/17	6/11/17
					Milestone: For RPPI appropriate techniques used for property mis-adjustment.		12/1/18	
					Milestone: Weighting scheme for stratification approach is reviewed and recommendations provided.			
					Milestone: An experimental hedonic based methodology developed.			

M1: Addressing Data Needs and Quality Concerns

M1, the D4D “work horse”, provides:

- **Core statistics CD** aimed at improving economic policy-making, detecting risks and vulnerabilities, and supporting Sustainable Development Goals (SDG) reporting;
- **A holistic approach**, looking at each economy’s most pressing data gaps and quality issues for economic policy-making, bringing in experience from IMF country teams; and
- **Flexibility** regarding strategy for CD delivery mode





CD Work Plan on RPPIs

Delivery

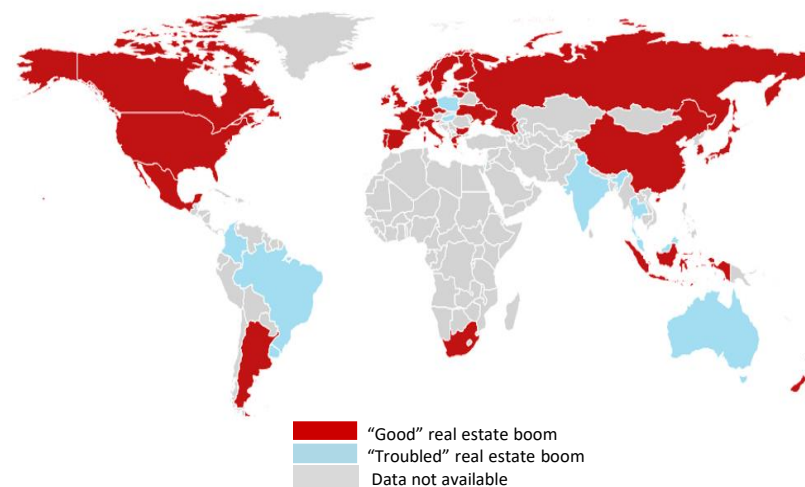


Strategic Outcomes

Strengthened compilation and dissemination of RPPIs, including by developing/improving the wider statistical infrastructure, source data, serviceability and metadata.

Economic Rationale

“Good” and “Troubled” Real-Estate Booms, 1970-2012¹



“About **two-thirds of the booms in our sample end badly**...The timing of the booms shows that not only did more booms occur since 2000, but also that a much larger proportion ended in recessions.”

1/ A “troubled” real-estate boom is defined as a housing boom that is followed by a recession (negative real GDP growth for two or more consecutive quarters).

Source: “Housing Finance and Real-Estate Booms: A Cross-Country Perspective”, Eugenio Cerutti, Jihad Dagher, and Giovanni Dell’Ariccia. Staff Discussion Note, June 2015.

G20 Data Gaps Initiative Recommendations

Vulnerabilities, Interconnections, and Spillovers	
II.8:	Sectoral accounts
II.9:	Household Distributional Information
II.10:	International Investment Position (IIP)
II.11:	International Banking Statistics (IBS)
II.12:	Coordinated Portfolio Investment Survey (CPIS)
II.13:	Coordinated Direct Investment Survey (CDIS) ^{NEW}
II.14:	Cross border exposures of non-bank corporations
II.15:	Government Finance Statistics (GFS)
II.16:	Public Sector Debt Statistics Database (PSDS)
II.17:	Residential Property Prices (RPPi)
II.18:	Commercial Property Prices (CPPI)



CD Work Plan on HFIs

Delivery



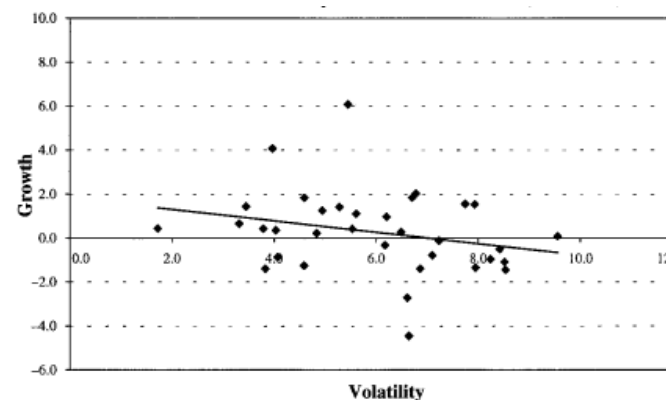
Strategic Outcomes

Strengthened compilation and dissemination of well-defined, high-frequency indicators of economic activity.

Economic Rationale

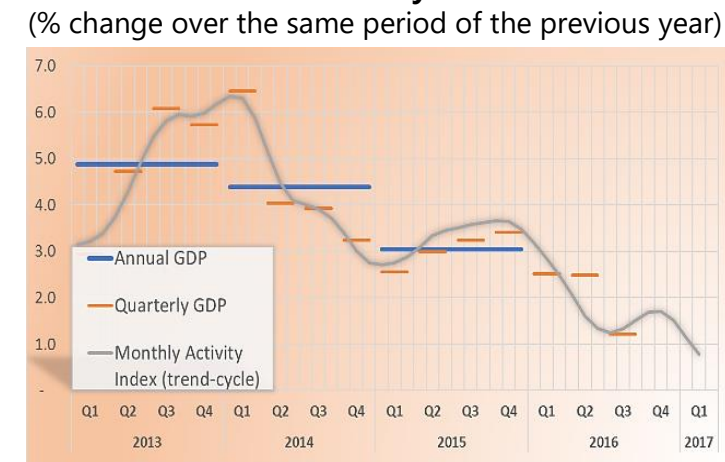
- Currently about **two-thirds** of low and lower-middle income countries (LLMICs) compile some type of **monthly or quarterly economic activity indicator** but...
- ...many countries do not have GDP statistics and HFIs on economic activity with the periodicity and timeliness desired for policy decisions and...
-annual (low-frequency) information does not permit precise and timely identification of turning points – HFI do better!

Growth and Volatility in Sub-Saharan Africa (1970-2004)



Source: "Growth and Volatility in an Era of Globalization"
 Author(s): M. Ayhan Kose, Eswar S. Prasad and Marco E. Terrones. IMF Staff Papers, Vol. 52, IMF Conference in Honor of Michael Mussa (2005), pp.31-63

Colombia GDP: Monthly Index of Economic Activity





CD Work Plan on Source Data and Intermediate Statistics

Delivery



Strategic Outcomes

Development and use of source data (administrative data, business and household surveys, price indices for services and fast-changing goods in the digital economy, and big data) will contribute to:

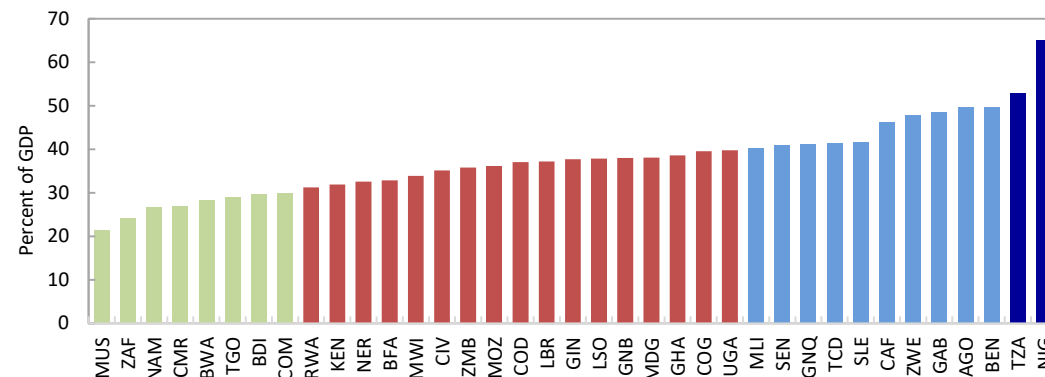
- Improved national accounts data, including estimates of the informal economy as well as of the digital economy;
- Diminishing the current large revisions as part of periodic national accounts re-basing exercises;
- Improved sectoral decompositions and cross-sectoral linkages in the national accounts; and
- A new Services Producer Price Index (SPPI) series that will help better differentiate between productivity-driven price changes (that reflect technological advances) versus general inflationary price changes.

Economic Rationale

Making better use of already existing source data for national accounts and price statistics (for example, household survey or tax data, but also Big Data) will limit the need for expensive new surveys. This will improve:

- The compilation of **GDP estimates**, which are an essential input in economic analysis and SDG monitoring. Improving accessibility and use of source data will facilitate the re-basing of national accounts and the production of granular sectoral GDP data necessary to support economic transformation in LLMICs; and
- The preparation of **services producer price indices**, which provide input for the correct measurement of productivity in the quickly growing services sector in many LLMICs.

Sub-Saharan Africa: Estimates of the Informal Economy, Average 2010–14



Source: AFR Regional Economic Outlook 2017.



CD Work Plan on Current Account BOP and Financial Account BOP

Delivery



AFR: 3 TA missions



APD: 2 TA missions



MCD: 1 workshop
5 TA missions

Strategic Outcomes

Current Account:

More accurate and comprehensive data on **international trade in goods and services** is available to inform analysis of the impact of global trends, including global value chains and the digital economy.

Financial Account:

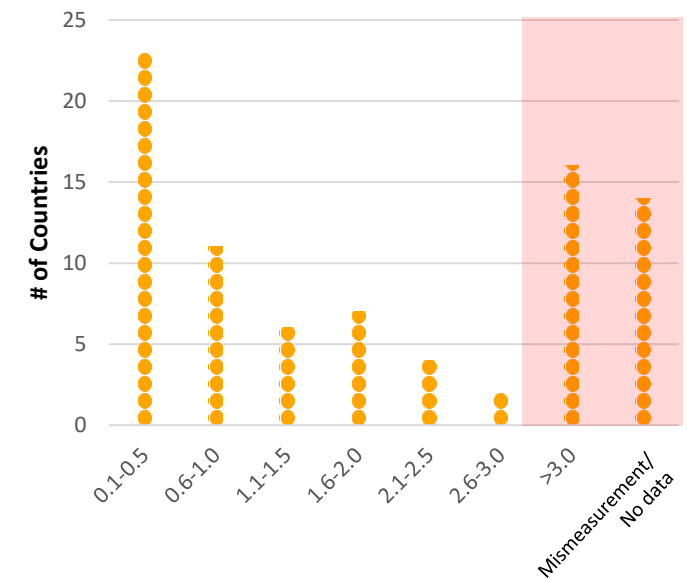
Strengthened analysis of **cross-border risks and vulnerabilities** through: (i) improved scope of key components of the financial account, including direct investment and external debt; and (ii) improved coverage of remittances.

Economic Rationale

Enhancing the **reliability of the balance of payments** could lead to important policy implications, affecting monetary, fiscal and exchange rate policies and informing structural reform needs.

Digitalization offers new data sources to help reduce sizable data errors in many LLMICs. For example, using data from mobile money transactions has the potential to improve remittances estimates, which are a major contributor to errors and omissions in many LLMICs.

Errors & Omissions (% of GDP)





CD Work Plan on Fiscal Reporting (GFS)

Delivery



Worldwide: 5 TA missions

Economic Rationale

Improved high-frequency GFS is needed to:

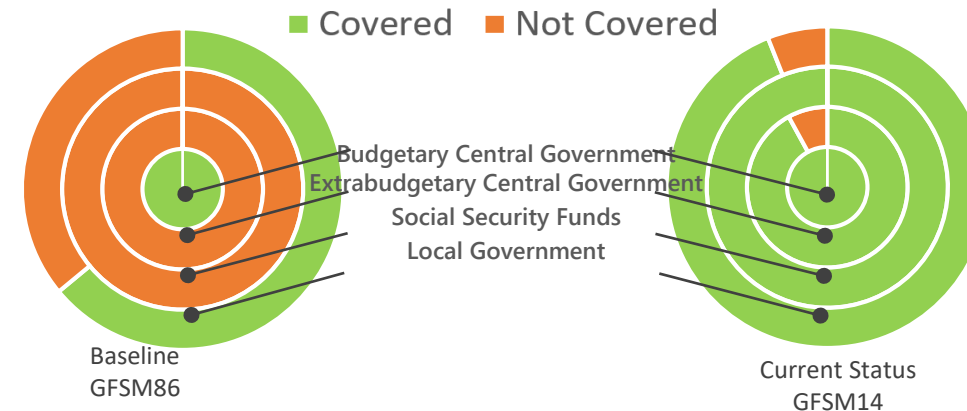
- fully understand the role of the government in the economy;
- assess a country's fiscal position and decide on the appropriate fiscal policy stance to support macroeconomic stability;
- detect fiscal risks and vulnerabilities;
- foster government accountability and transparency; and
- enhance cross-country comparability.

Strategic Outcomes

High-frequency GFS with improved data quality, frequency, and timeliness are compiled and disseminated to:

- **Fiscal policy-makers** to formulate, monitor, and assess fiscal policy and fiscal risks;
- The **IMF** for surveillance purposes; and
- **The public** to improve fiscal transparency and accountability.

Improved GFS Coverage in East African Community Countries





CD Work Plan on Debt Reporting (PSDS)

Delivery



AFR: 3 workshops
9 TA missions



APD: 1 workshop
3 TA missions



MCD: 1 workshop
3 TA missions

Strategic Outcomes

High-frequency PSDS, including data on contingent liabilities and arrears (as relevant), are compiled and disseminated to:

- **Fiscal policy-makers** to assess and monitor fiscal policy, debt sustainability, and fiscal risks;
- The **IMF** for surveillance purposes, including for the preparation of debt sustainability analyses and re-dissemination in IMF and IMF/World Bank PSDS databases; and
- **The public** to improve fiscal transparency and accountability.

Economic Rationale



"Rising debt levels in Low Income Countries have led to concerns about debt vulnerabilities in these economies. ... We support the provision of technical assistance by the IMF and the World Bank Group (WBG) in debt recording and reporting in LICs, where needed..."

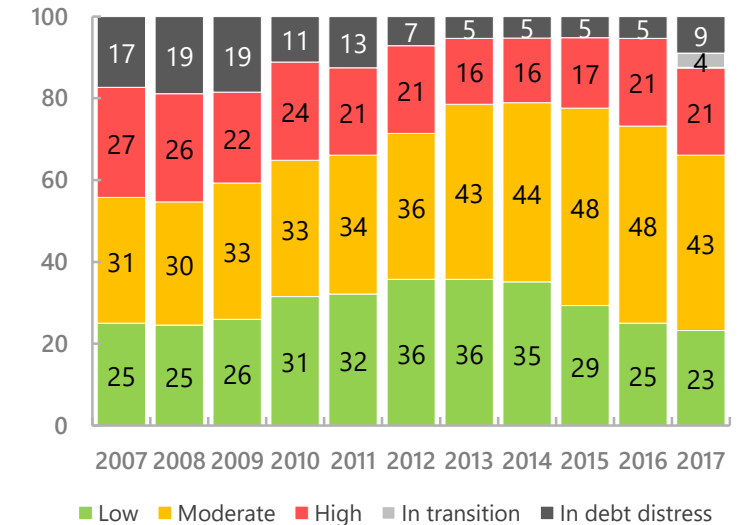
Communiqué Finance Ministers & Central Bank Governors (March 20, 2018)



"We urge the IMF to work closely with members to strengthen fiscal frameworks and improve debt management capacity, and to work with debtors and creditors on promoting sustainable lending practices and tackling data gaps."

Communiqué of the Thirty-Seventh Meeting of the International Monetary and Financial Committee (April 21, 2018)

Evolution of Risk of Debt Distress



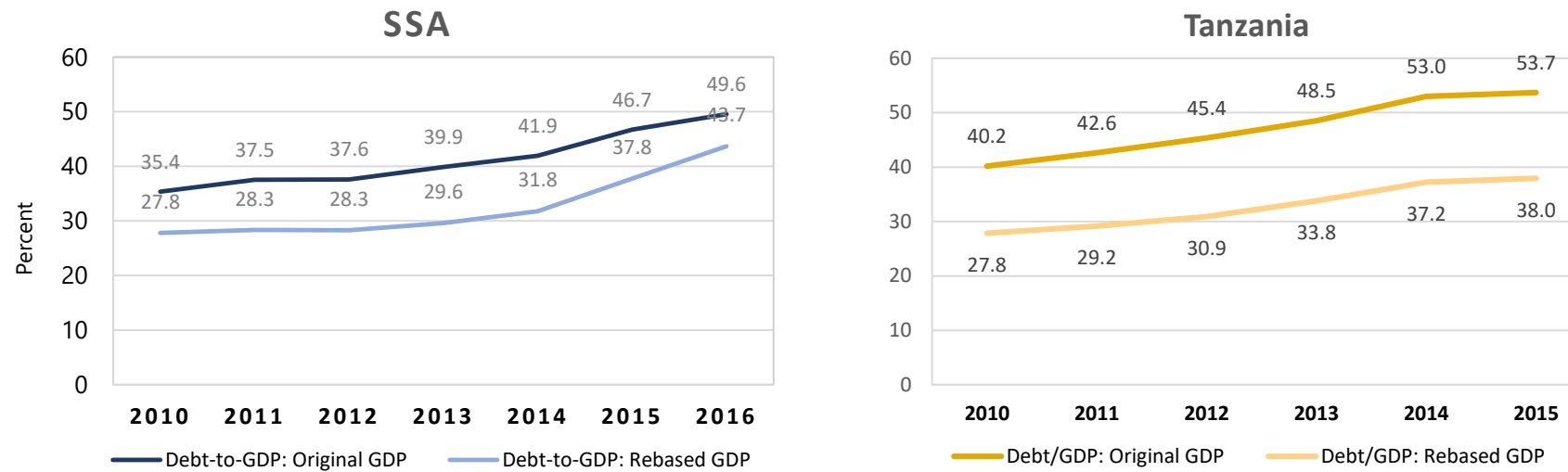
Rising debt has led to **Debt Sustainability Analysis rating downgrades**. 34 percent of low-income, developing countries are now at high risk of/in debt distress compared to 21 percent in 2013. Most of the countries that have moved into high risk of debt distress or into debt distress since 2013 are in **sub-Saharan Africa**.



CD Work Plan on Debt Reporting (PSDS)

Economic Rationale (continued)

Debt-to-GDP Ratio Before and After Rebasing GDP



Reliable economic analysis of debt sustainability hinges not only on improved debt reporting but is **closely intertwined with CD in the real and external sectors**, underlining the benefits of the D4D Fund’s holistic approach to statistics CD.

For example, the impact of rebasing GDP on the debt sustainability analysis is substantial. The **higher GDP may counter the effect of higher debt reporting** as a result of better debt data coverage. However, one-third of IMF member countries have still not rebased their national accounts for more than 10 years (it is best practice to undertake a rebasing exercise every five year or less).



CD Work Plan

Delivery



AFR: 1 workshop

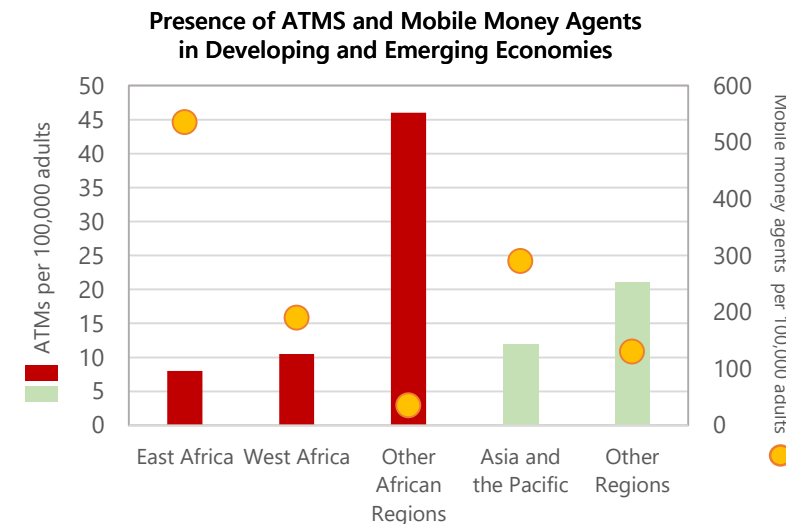
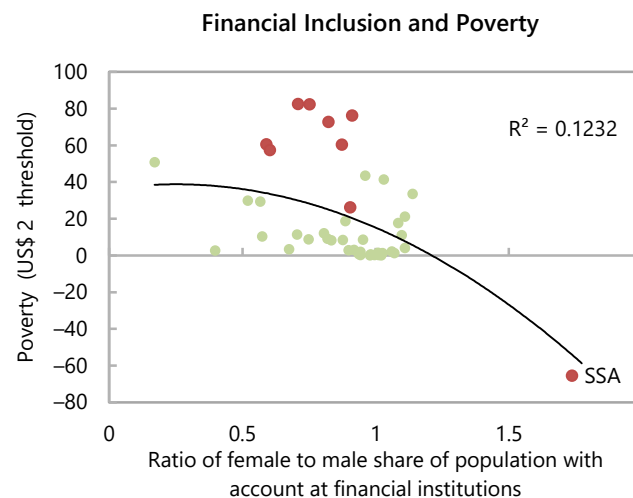


MCD: 1 workshop

Strategic Outcomes

- Continued production of the FAS, providing access to long time series on financial access;
- Production of new data series to address quickly changing data needs in this dynamic sector, with increasingly broad coverage and scope;
- Basis for monitoring of the SDGs financial inclusion indicator (8.10.1); and
- Contribution to the research and policy agenda on financial inclusion.

Economic Rationale



The FAS offers high-quality data to help: (i) better understand linkages between **financial inclusion and financial stability, income inequality and economic growth**; and (ii) formulate **financial sector development** and **macro-prudential policies**.

It is constantly being adapted to close data gaps, capture innovation, and enhance relevance (e.g., by capturing **gender-disaggregated data**, the **costs** of financial access, and **mobile money data**).



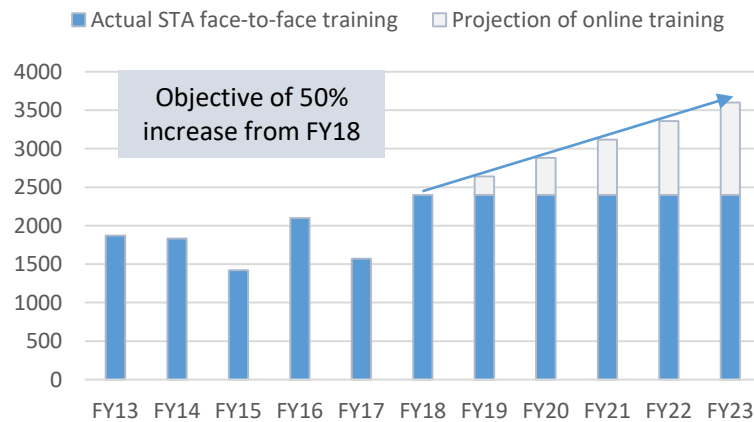


CD Work Plan

Strategic Outcomes

- Development and implementation of a new online training curriculum covering eight fundamental statistical topical courses;
- Translation in up to 5 languages, depending on availability of resources; and
- Certification from online training established as entry requirement to improve efficiency of face-to-face intermediate and advanced training.

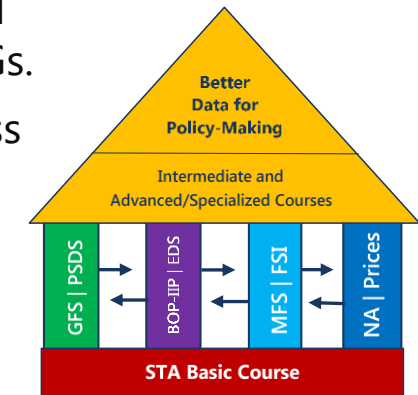
Total Number of Participants in STA Training



Economic Rationale

The key outcome of this module is **increased staff capacity** through a new structured online learning curriculum that will enhance the reach of statistics training.

- Pre-D4D Fund development of basic online course is close to completion.
- Under the D4D Fund, eight fundamental STA courses will be rolled out and available online 24/7/365.
- Technology will deepen absorptive capacity for TA mission work.
- Online training will spur positive externalities beyond macroeconomic statistics—which is essential for SDGs.
- A broader and more diverse audience will have access to statistics training.





CD Work Plan

Delivery



MCD: 2 TA missions

Strategic Outcomes

Disseminate and facilitate implementation of best practices in statistical data and metadata management and related frameworks established by the international community. This includes:

- Transferring knowledge on governance structures;
- Providing information on suitable technical standards and statistical information models; and
- Advice on project design.

Economic Rationale

To facilitate the use and dissemination of statistical data, this module will assist statistical offices, central banks, and ministries of finance to **improve data management practices and infrastructure** by:

- **Streamlining, standardizing, and automating data management**, with the goal to enhance countries' ability to compile and disseminate macroeconomic and financial statistics; and
- **Improving statistical data and metadata lifecycle management and related frameworks**, including tools needed for effective statistical information management and information on technical standards and statistical information models.



Thank You!

