

EXTERNAL DEBT STATISTICS

Report Prepared by the Bureau of Statistics
International Monetary Fund (IMF)

1. Collection and Use of External Debt Data

The IMF staff collects data on external debt and on other economic and financial variables during periodic consultations with its member countries. Although members regularly provide data to the IMF's Bureau of Statistics in various economic areas, comprehensive statistics on external debt as such have been collected by the IMF for many years only on a country-specific basis (during the consultation discussions with the members concerned); the IMF has not defined a specific methodology designed for the compilation of such statistics. Data on external debt are used by the IMF and the country authorities for the purpose of macroeconomic analysis and financial programming, although they are not at present featured in the IMF's statistical publications. Country financial programs supported by the use of IMF resources involve in most cases a measure of conditionality in the form of quantified performance criteria that must be observed by the country before the IMF resources can be released. Quantitative performance criteria concerning external debt targets have long been featured in IMF-supported financial programs.

Collect during consultation
Don't methods manual

The Bureau of Statistics collects data on major components of countries' external debt. A data base developed on international banking statistics (IBS) captures external financing intermediated through the banking system. The IBS combine (i) data on the external asset and liability positions of banks in most IMF member countries with (ii) data on bank claims and liabilities vis-à-vis nonbank residents of those countries, as reported by 31 international banking centers. These data are published in International Financial Statistics (IFS). Bank external borrowing flows by countries are then estimated from stock data by adjusting changes in outstanding assets (liabilities) for variations in exchange rates. The flow data are used for analytical purposes by the Fund, and are reproduced (for regional aggregates and selected countries) in papers on International Capital Markets and World Economic Outlook that are published in the IMF's World Economic and Financial Surveys series. Very aggregated flow data are also published semi-annually in the IMF Survey. The Bureau of Statistics also collects data on external (as well as domestic) debt of various levels of government for publication in its Government Finance Statistics Yearbook. Finally, the Bureau collects and publishes in the Balance of Payments Yearbook (BOPY), comprehensive data on international capital transactions, including debt-related flows. In addition to capital flows, the BOPY contains stock data for capital account categories of external assets and liabilities for 26 countries.

Various flow data collected & compiled

In addition to IBS data, the World Economic Outlook papers provide historical and projected comprehensive external debt data broken down by regions and analytical country groupings. These data are drawn from all available sources and the resulting figures represent the Fund's best estimate of external debt.

2. International Working Group on External Debt Statistics

In 1984 the IMF, in conjunction with the Bank for International Settlements (BIS), the Organization for Economic Co-operation and Development (OECD), and the World Bank in association with the International Union of Credit Insurers (the Berne Union) set up the International Working Group on External Debt Statistics (the Group) to promote convergence of debt recording practices and other objectives relating to the development of better debt statistics.

The participating organizations in the Group, each of which approaches the compilation and publication of external debt data from different angles, provide different measures of external debt. The Group set out to agree on a definition of external debt and to try to explain differences between debt data. The findings of the Group were presented in the jointly sponsored publication External Debt: Definition, Statistical Coverage and Methodology, Paris 1988. The publication deals with methodological issues discussed by the Group and describes the framework of debt statistics compiled and published by the four organizations. The Group continues to meet regularly to discuss methodological issues and to continue work toward a complete reconciliation of the different sets of data.

3. Technical Assistance in External Debt Statistics

The IMF's technical assistance in statistics has traditionally dealt with aspects of external debt in its coverage of balance of payments compilation and methodology. In 1987, the IMF's Bureau of Statistics extended its program of technical assistance to cover external debt statistics as a separate item. This assistance consists primarily of short-term staff missions to member countries focusing on data collection, data processing, and data dissemination issues. These three elements of external debt information systems are closely interrelated, and the experience of IMF staff and others who provide technical assistance in this area has demonstrated that, in order to be effective, their development should be preceded by an analysis of the uses to which data will be put. This is to ensure that the system design that is eventually developed, is capable of producing the needed statistics and analyses, and that it is not larger and/or more sophisticated than actually needed.