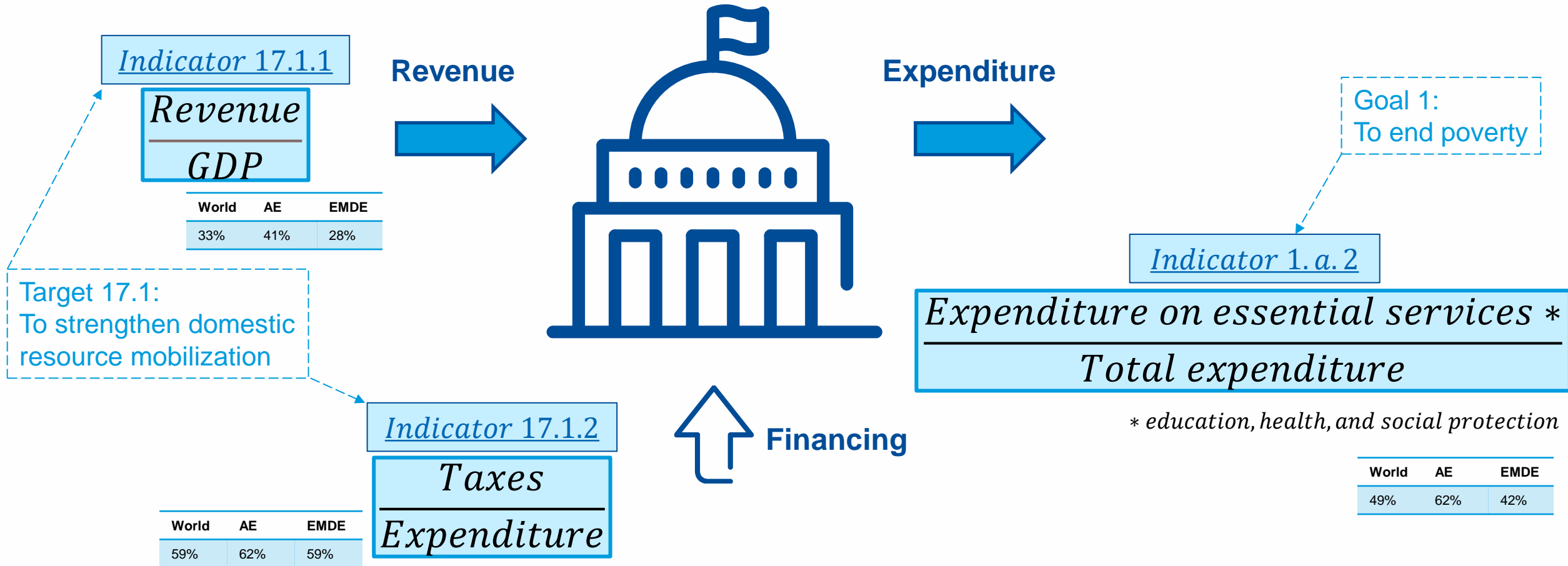**STATISTICS**

Indicators related to Government Finance Statistics (GFS): 1.a.2, 17.1.1 and 17.1.2

15TH MEETING OF THE IAEG-SDGS

OCTOBER 21-23, 2024

Naoto Osawa

Government Finance Division

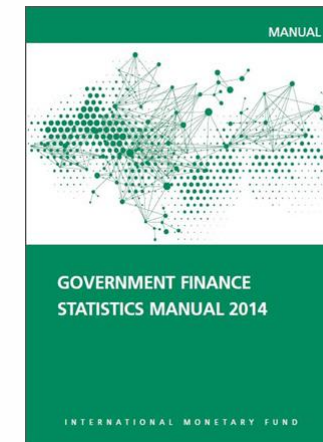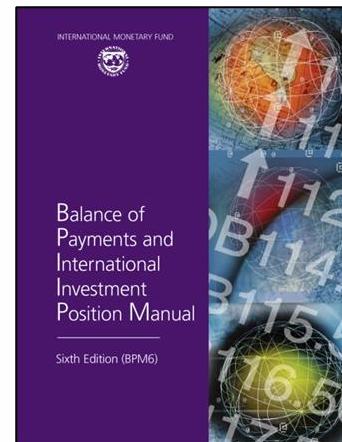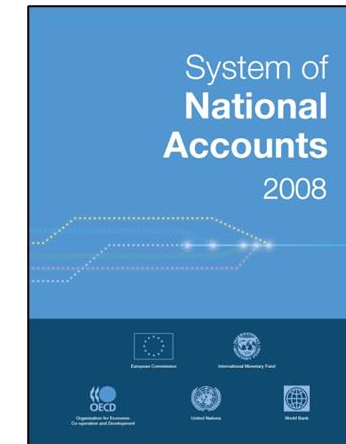# IMF – Custodian Agency for 3 Government-related SDG Indicators

- Source data are taken from government finance statistics (GFS) database

Indicator 17.1.1

$$\frac{Revenue}{GDP}$$

World	AE	EMDE
33%	41%	28%

Revenue

Expenditure

Goal 1:
To end poverty

Target 17.1:
To strengthen domestic resource mobilization

Indicator 1.a.2

$$\frac{Expenditure\ on\ essential\ services\ *}{Total\ expenditure}$$

* education, health, and social protection

World	AE	EMDE
49%	62%	42%

Indicator 17.1.2

$$\frac{Taxes}{Expenditure}$$

World	AE	EMDE
59%	62%	59%

Financing

(Note) Indicator's values are for 2022 data. AE = Advanced Economies; EMDE = Emerging and Developing Economies.
IMF is also a custodian agency for 2 other SDG indicators: 8.10.1 (financial inclusion) and 10.5.1 (financial soundness).
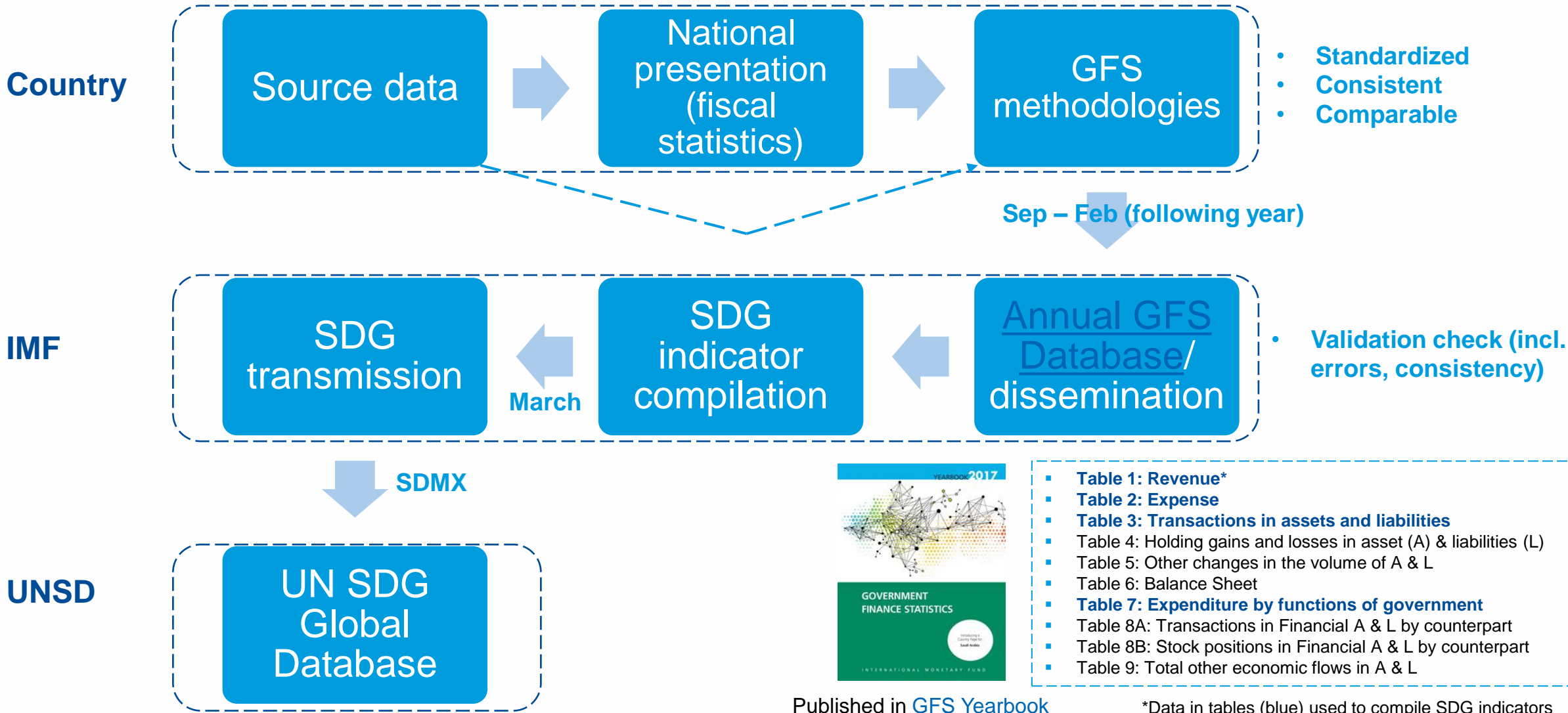
GFS under an "Umbrella" of SNA

- The System of National Accounts (SNA):
  - the core statistical system
  - serving as an "umbrella" framework
    - ▶ providing definitions and concepts for all other macroeconomic statistics.

- GFS Manual 2014 is aligned with SNA 2008.

- GFS data are:
  - **Standardized**
  - **Consistent**
  - **Comparable**

GFS and Production Cycle of SDG Indicators

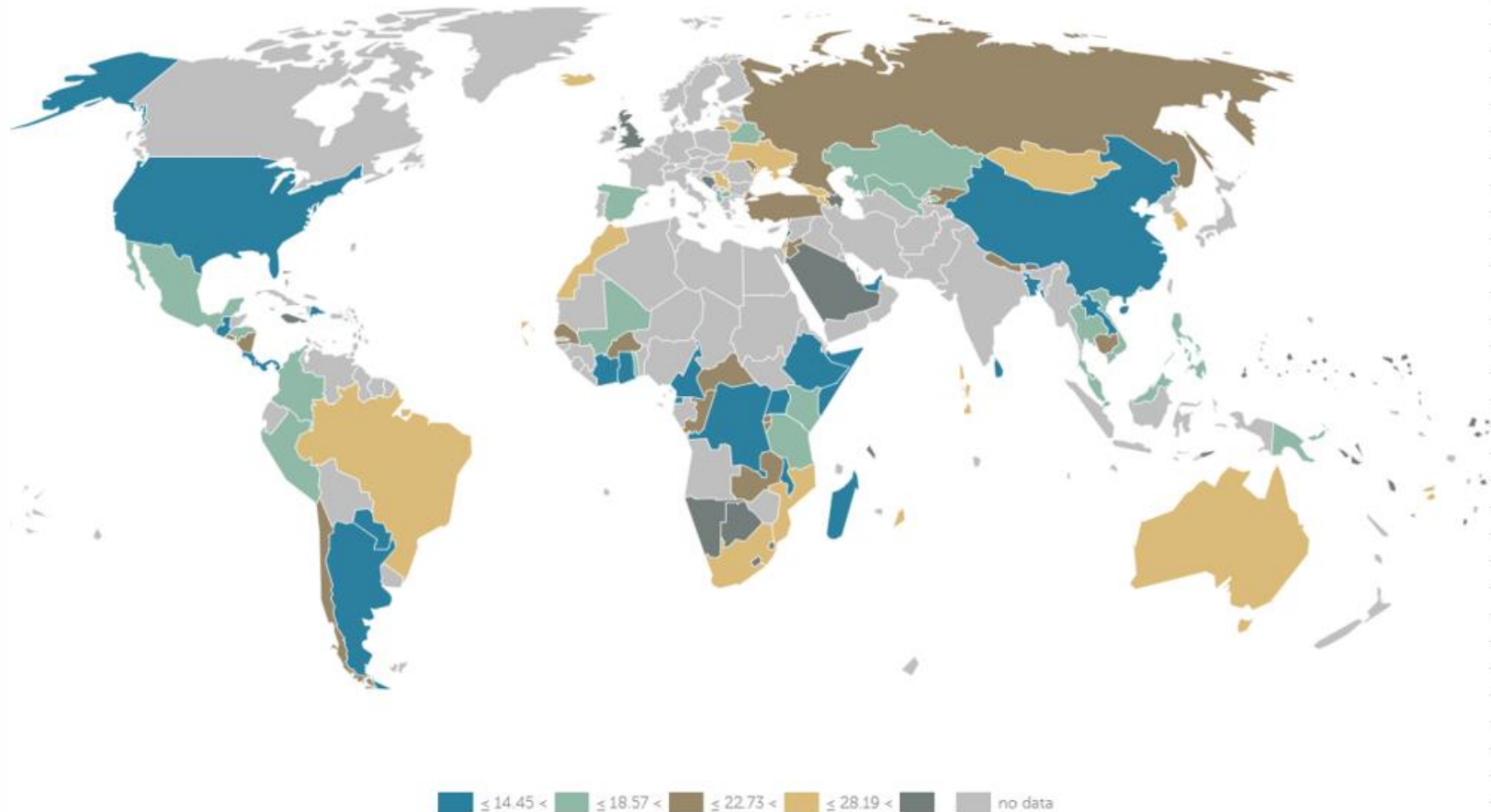- SDG indicator production embedded in annual GFS production cycle

Country

Source data → National presentation (fiscal statistics) → GFS methodologies

- **Standardized**
- **Consistent**
- **Comparable**

Sep – Feb (following year)

IMF

SDG transmission ← SDG indicator compilation ← Annual GFS Database/dissemination

March

- **Validation check (incl. errors, consistency)**

SDMX

UNSD

UN SDG Global Database

- **Table 1: Revenue***
- **Table 2: Expense**
- **Table 3: Transactions in assets and liabilities**
- Table 4: Holding gains and losses in asset (A) & liabilities (L)
- Table 5: Other changes in the volume of A & L
- Table 6: Balance Sheet
- **Table 7: Expenditure by functions of government**
- Table 8A: Transactions in Financial A & L by counterpart
- Table 8B: Stock positions in Financial A & L by counterpart
- Table 9: Total other economic flows in A & L

Published in GFS Yearbook

*Data in tables (blue) used to compile SDG indicators

Challenges: Data Shortcomings (1)
- Country Coverage

Indicator 17.1.1: Revenue/GDP**

- Reporting countries: about **130** (out of 191 IMF member) countries annually *
  - varying depth and breadth of data
  - **diverging by region – notably Africa, South Asia/Middle East**
  - **declining in recent years**

- Reporting agencies:
  - **Ministries of Finance** (for most countries)
  - Central Banks
  - National Statistics Offices

≤ 14.45 <   ≤ 18.57 <   ≤ 22.73 <   ≤ 28.19 <   no data

*High frequency data (monthly, quarterly) reported by some countries, published in International Financial Statistics.

**Color coordinated by range of value (% of GDP, 2020); Grey = non reporter. Budgetary Central Government.

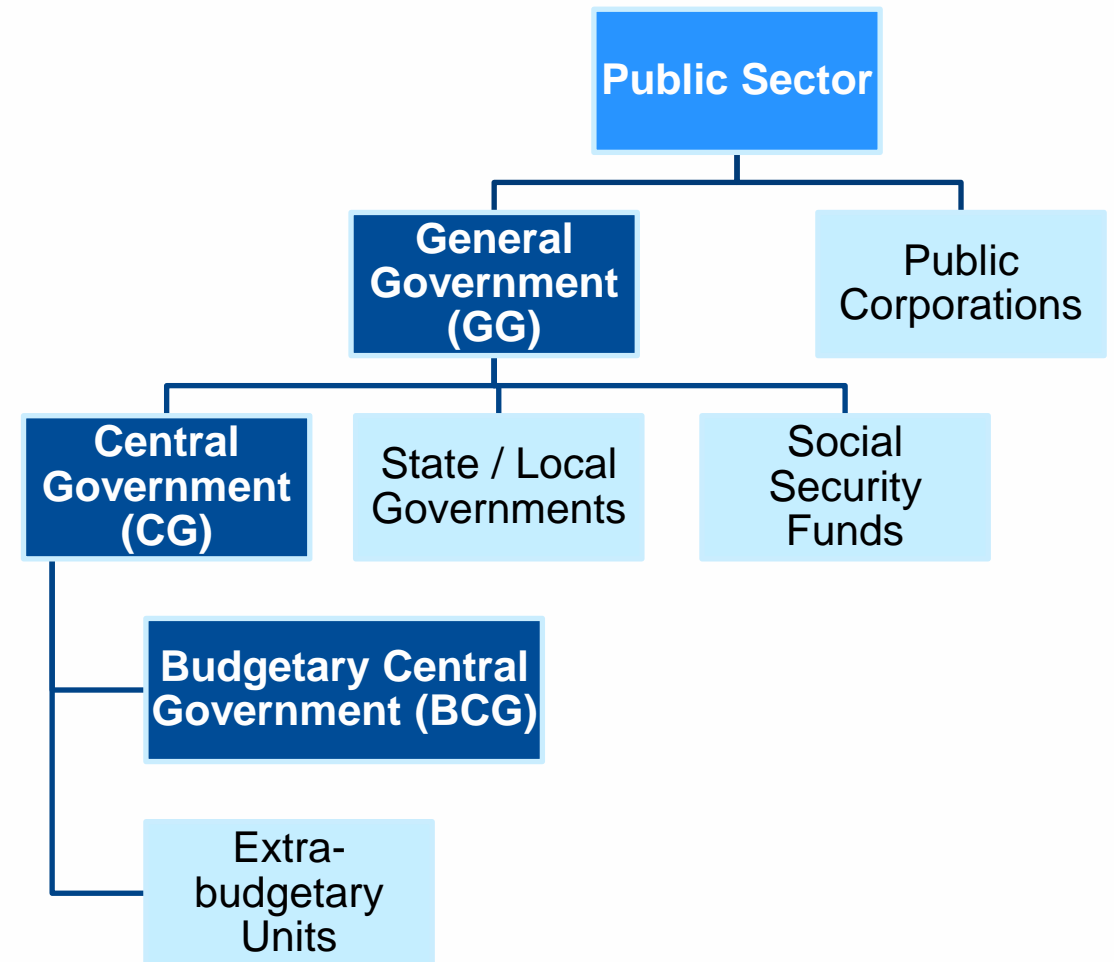# Challenges: Data Shortcomings (2)
- Institutional Sector Coverage

- GFS can be compiled for the Public Sector or its subsectors

  - For international comparisons, the GG sector is currently most important

  - **Coverage more limited in some countries** – CG or **only BCG** (notably low-income countries)

Number of reporting countries*

Indicator	BCG	CG	GG
17.1.1/17.1.2	126	94	93
1.a.2	84	74	76

*max value in 2015-2022

Capacity Development in Action

- Ongoing global CD activities to address data shortcomings
  - Technical assistance (TA) and workshops on GFS delivered via:
    - **IMF HQ**
    - **IMF 17 Regional Capacity Development Centers**

- **200** bilateral TA missions/year avg
- **30** regional multi-country workshops/year avg

Thank you!

Questions?