



Regional Seminar on Developing a Programme for the Implementation of the 2008 SNA and Supporting Statistics in the Pacific region

Apia, August 20, 2013



Outline

- ➊ PFTAC and IMF in the Pacific
- ➋ Work plan and priorities
- ➌ Challenges and future developments



PFTAC - overview

- ❁ Pacific Financial Technical Assistance Center (PFTAC) is one of the IMF's 9 regional technical assistance (TA) centers
- ❁ Collaborative venture between IMF, recipient countries, and bilateral and multilateral donors
- ❁ Improve economic management and sustainable economic growth across the PICs



PFTAC - overview

- Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu as well as Timor-Leste



PFTAC TA

- ❖ PFTAC's support to PIC's statistics takes place in the context of the TYPSS
- ❖ Mainly for national accounts (2nd advisor started in 2012) but also external sector statistics
- ❖ Coordination with SPC, ABS, ESCAP
- ❖ TA in NA provided to all PFTAC countries except Tuvalu, Nauru, Niue, PNG and Tokelau



IMF HQ support

- With PFTAC, IMF combines strategic advice from its Headquarters with local expertise and on-the-ground capacity building
- TA integrated with core lending and surveillance operations of the IMF



IMF HQ support

- IMF HQ has significantly stepped up its statistical TA to the Pacific:
 - external sector statistics (ESS)
 - government finance statistics (GFS)
- General data dissemination system (GDSDS)
- International Comparison Program coordinated by ABS



External Sector Statistics (ESS)

- ❖ Improve accuracy, availability, comparability, and timeliness of ESS for selected countries
- ❖ One advisor stationed in Fiji
- ❖ Workshop on practical aspects of international investment position (IIP) statistics and external debt statistics (EDS) during 15-25 July



Government Finance Statistics (GFS)

- ➊ Assist Asia Pacific countries to migrate their fiscal statistics to standards embodied in the *Government Finance Statistics 2001*
- ➋ One advisor stationed in HQ
- ➌ ABS-IMF joint course on GFS conducted in June 2013 with a focus on debt and aid statistics



Capacity building

- ⊕ High-quality technical advice is not sufficient to achieve results
- ⊕ On-the-job training
- ⊕ Regional workshops



Work plan

- ✿ Production of at least 2 independent measures of GDP to a high standard in 8 countries and improved quality of GDP measures in all countries:
 - Vanuatu published GDP E estimates by expenditure in 2012
 - Methodology development of GDP E underway in Kiribati
 - Review of the existing methodology has started in Fiji, Palau and Timor-Leste.



Work plan

- Rebased constant price GDP estimates by production and by expenditures
 - Rebase from 2005 to 2008 prices almost completed in Fiji
 - Rebase 2005 to 2010 has started in Vanuatu and is expected to be finalized in 2014
 - Rebased annual and quarterly GDP estimates in Samoa implemented by a peripatetic advisor managed by Samoa Bureau of Statistics within an Institutional Strengthening Programme



Work plan

- Compilation of regular annual Gross National Income (GNI), Gross National Disposable Income (GNDI), saving and net lending/borrowing aggregates by at least eight member countries. GNI and GNDI:
 - Compiled for Palau, FSM and RMI by US-funded consultants
 - Compiled in Timor-Leste by a resident advisor
 - Kiribati compiles GNI and GNDI
 - Compiled in Tuvalu with TA from SPC



Work plan

- ✿ Production of quarterly national accounts (QNA) in four member countries.
 - Development of QNA estimates began in the Cook Islands during 2012 and is nearing completion.
 - The development of QNA estimates has also started in Fiji.
 - Samoa's QNA methodology has been improved by the ISP consultant



Work plan

- **Compilation of PPI and trade price indexes by four countries.**
 - PFTAC contributed to the development of PPIs and redevelopment of export and import price indexes in Fiji. This development continued with IMF's ICP project in January 2013 with a follow-up mission planned for August 2013
 - PFTAC coordinated TA from the IMF on the development of a core inflation index in the Solomon Islands



Work plan

- ✿ Regular compilation of annual balance of payments estimates for countries that currently have irregular compilation and improvement in the coverage, quality and timeliness of current account estimates
 - ESS project will improve balance of payments and IIP statistics as well as participation in the Quarterly External Debt Statistics (QEDS) and IMF Coordinated Direct Investment Survey (CDIS) databases



Challenges

- ❖ 6 NSOs in the PICs comprise five or less staff
- ❖ Limited number of staff makes specialization of staff very difficult and increases reliance on external TA
- ❖ Insufficient resources require TA missions for regular compilation tasks which also limit methodological developments and capacity building



Challenges

- ❖ Limited financial resources to collect good quality source data
- ❖ Compilers often rely on outdated source data combined with a limited number of indicators used to extrapolate time series
- ❖ Main source data used for national accounts statistics and ESS are existing administrative data.



Challenges

- Administrative data are useful but data quality and concepts are not always fit for purpose
- Access to administrative data is sometimes hindered by legislative, technical or practical issues and NSOs should actively try to overcome these barriers with the relevant government authorities



Challenges

- ❖ Microsoft Excel-based compilation systems are used in most NSOs
- ❖ In many PICs, there is no active policy in place to develop and maintain good data and metadata management practices
- ❖ Poor data management practices reduce efficiencies and significantly increase the business continuity risk



Recommendations

- NSOs should engage with the statistical community to promote the use of economic statistics and the adoption of agreed statistical standards including classifications
- This would facilitate data sharing, consistency between data producers and improve efficiencies in the national statistical systems