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Coordination of international statistical work in the UNECE region

Outcome of the in-depth review of government finance, fiscal and public sector statistics

Note by the secretariat

Summary

The present document provides information on the outcome of the in-depth review of government finance, fiscal and public sector statistics carried out by the Bureau of the Conference of European Statisticians in October 2009. The Bureau of the Conference of European Statisticians reviews each year four to five statistical areas in depth, with the aim to improve coordination of statistical activities in the region of the United Nations Economic Commission for Europe. The review focuses on strategic issues and highlights concerns of statistical offices of both a conceptual and a coordinating nature.

I. Introduction

1. The Bureau of the Conference of European Statisticians (CES) reviews each year 4-5 statistical areas in depth. The purpose of the reviews is to improve coordination of statistical activities in the region of the United Nations Economic Commission for Europe (UNECE), identify gaps or duplication of work, and address emerging issues. The review focuses on strategic issues and highlights concerns of statistical offices of both conceptual and coordinating nature.

II. Summary of the Bureau discussion

2. The CES Bureau reviewed the topic of government finance, fiscal and public sector statistics at its October 2009 meeting. The review was based on the paper prepared by the International Monetary Fund (IMF).

3. The paper by the IMF covered a broad spectrum of statistics pertaining to the public sector. These statistics include Government Finance Statistics (GFS) (e.g. revenue, expense, debt) and nonfinancial statistical indicators of fiscal performance (e.g. employment, tax rates, level of social assistance).

4. The paper provided an overview of regional and international activities in the public sector statistics domain. The paper also provided a brief description of the scope of these statistics; an overview of compilation and dissemination practices; an overview of dissemination of fiscal data at the international level; and the identification of issues for discussions on future developments.

5. The following points were made in the discussion:

(a) The paper covers well the problems and challenges in this difficult and complex area;

(b) There was general support for more cooperation between international agencies working in this area and for bringing the data together in a virtual way; data exchange is quite well developed but can still be further improved;

(c) A network (a working group, committee, etc.) on this topic could be useful, similar to the IMF Balance of Payments Committee; some of the discussions could be hosted by the interagency group on finance statistics and by the Inter-secretariat Working Group on National Accounts (discussion on a number of issues is already planned, like public sector employment, treatment of emission permits and receipts, instruments in financial crisis, government debt);

(d) The Manual on Government Finance Statistics is planned to be updated following the adoption of the System of National Accounts (SNA) 2008; the first priority should be to include the minimum changes that are required to bring the Manual into line with 2008 SNA; the recommendations should be detailed enough to help countries with less developed statistical systems;

(e) The supplementary explanatory materials to the GFS 2001 manual are considered very useful; this practice should be expanded and continued; clarification of treatment of social benefits and pensions in the GFS and in comparison with SNA 2008 would be particularly useful;

(f) Some participants noted that it will not be easy to provide quarterly data on general government and it has to be considered whether the related benefits outweigh the

costs; other participants considered quarterly data very relevant to provide a consistent monitoring of the situation;

(g) The recent crisis has emphasised the need for more information on public sector and its international comparability;

(h) It is difficult to obtain data at regional and municipal level; international cooperation in considering how to solve this problem would be welcome;

(i) The issues related to fiscal intervention outside the government sector may be handled over time using the current standards; a crisis is not the best time to establish new rules because of volatility in data;

(j) There is no need to reopen the discussion on public-private partnerships, these have been discussed leading up to SNA 2008;

(k) The countries of Eastern Europe, Caucasus and Central Asia (EECCA) experience serious problems with GFS and with cooperation of different government agencies dealing with this topic; help from IMF in setting up GFS would be very much appreciated; the Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT) could host a meeting on this topic with representatives of financial ministries and national accountants of the CIS countries; IMF has some training materials that can be used for this purpose;

(l) Providing training and technical assistance on GFS to developing and transition countries would benefit from pooling resources at international level;

(m) The GFS yearbook should leave blank the tables where data are not available (e.g. the accrual tables) so as not to present a distorted picture of how many countries are following the standard.

III. Conclusions and follow-up to the in-depth review

6. Following the Bureau decision, the document has been updated to take into account the comments from the discussion. It will be available as document ECE/CES/2010/2/Add.1.
