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SECRETARY'S CIRCULAR NO. 84/51

To: Members of the Executive Board

From: The Secretary

Subject: IMF Institute - Course on Government Finance Statistics
(1984-IV)

Attached for the information of the Executive Directors is a report on a course on government finance statistics in English, presented by the IMF Institute from February 13 through April 6, 1984.

Att: (1)

Other Distribution:
Department Heads



INTERNATIONAL MONETARY FUND

IMF INSTITUTE

Report on the Course on Government Finance Statistics (1984-IV)

February 13 - April 6, 1984

Introduction

A course on Government Finance Statistics, conducted in English, was presented by the IMF Institute with the cooperation of the Bureau of Statistics over an eight-week period.

Selection of participants

The Admissions Committee extended invitations to a total of 34 candidates. One withdrawal brought the number of participants to 33 from the following countries: Australia, Austria, Barbados, Botswana, China, Ethiopia, Finland, Hungary, India, Israel, Jamaica, Japan, Korea, Lesotho, Malaysia, Maldives, Malta, Nepal, New Zealand, Nigeria, Oman, Pakistan, Papua New Guinea, Philippines, Sierra Leone, Sri Lanka, Sudan, Swaziland, Sweden, Syria, Thailand, Uganda and Zambia (see Attachment I).

Subject matter of the course

The objective of the course was to assist member countries in their efforts to improve the compilation of government finance and related statistics in accordance with the concepts, definitions, and procedures set out in the Draft Manual on Government Finance Statistics.

Participants were familiarized with conceptual problems such as defining the coverage of data, relating this definition to the different accounts from which the data can be extracted, deriving aggregate data from such accounts, and classifying government operations according to the various criteria. In relation to coverage, participants were shown how to select government units for inclusion in the government sector or in the rest of the public sector. The government accounts of several countries were then analyzed with a view to illustrating the formats in a variety of source documents. From examples of national sources principal aggregates were derived and participants were introduced to methods used in making the necessary adjustments for compiling data in accordance with the recommended coverage, and taking into account problems associated with basis, timing, and consolidation. In relation to classification, the course dealt with the detailed breakdown of data on revenue, expenditure, financing, and debt. While most topics dealt with statistics compiled on an annual basis, the problems encountered in the preparation of monthly or quarterly data consistent with the coverage and methodology of annual data were also examined. Participants were familiarized with techniques for data review and the analysis and application of monthly

and annual data for policy purposes. Problems in two important additional areas were explained: these were the compilation of data for state and local government and the compilation of statistics for nonfinancial public enterprises.

The role, operations, and policies of the IMF were also discussed in the course.

Organization of the course

The course was organized around 8 case studies and 4 guided exercises, each dealing with the application of material introduced by a previous lecture (Attachment II). To carry out the work of the case studies and guided exercises, participants were divided into seven working groups of five or six participants each. The case studies and guided exercises themselves were self-contained exercises presenting problems, questions, and answer sheets. After the working groups completed their assignments, their findings were presented for discussion. In completing their work on the case studies, participants made use of published accounts data from several countries, among them, Botswana, Canada, Cyprus, Fiji, and New Zealand. They worked also with hypothetical examples designed to illustrate government transactions not found in these accounts. During the course each participant discussed with a staff member of the Government Finance Division the main problems in the compilation of data for his or her own country and future plans for the work in the government finance statistics project. The case study work system stimulated discussion, allowed participants to share their previous experience within the working groups, and resulted in active participation.

The Fund's Draft Manual on Government Finance Statistics was the basic reference work for the case studies and guided exercises except for the one related to nonfinancial public enterprises for which a new format for assembling data on an accrual basis was discussed. In addition to the lectures introducing each case study and guided exercise, there were lectures on the conceptual framework of government finance statistics, the needs of area departments in the field of government finance statistics, and the relationship of government finance statistics to national accounts.

During the eight-week period of the course, in addition to the opening and closing sessions, there were 24 lectures: 16 by the staff of the Government Finance Division of the Bureau of Statistics, one by a staff member of the Fiscal Affairs Department, one by a staff member of the Western Hemisphere Department, and 6 by the staff of the IMF Institute. Seven case studies were prepared and conducted by the Government Finance Division and one by the Fiscal Affairs Department. For most sessions, background materials were distributed to the participants several days in advance of the session. The summaries and case studies listed in Attachment III were supplemented, where necessary, by selected published material and other Fund documents.

Social activities

A reception was given at the Fund on February 16 to welcome the participants and to introduce them to management, members of the Executive Board, and the staff.

Participants were entertained at luncheons hosted by their Executive Directors, and by the area departments responsible for their countries. In addition, the Institute organized a number of weekend outings, including a visit to New York, and several social gatherings at the Concordia.

Certificates of attendance were presented to the participants by the Director of the IMF Institute at a farewell luncheon held on April 6.

IMF Institute
May 1984

IMF INSTITUTE

Course on Government Finance Statistics (1984-IV)

February 13 - April 6, 1984

List of Participants

NAME	COUNTRY	POSITION AND AFFILIATION
1. AL-SHARJI, Mohammad Nasser	Oman	Director General Accounts Department Directorate General of Finance
2. ARYAL, Mukunda Raj	Nepal	Assistant Accounts Officer Government Account Section Accounts and Expenditure Department Nepal Rastra Bank
3. ASSEFU Gedlu Negussie (Miss)	Ethiopia	Acting Head Statistics Section Revenue Policies Division Research and Planning Services Ministry of Finance
4. BESHIR, Eltahir Gutbi	Sudan	Senior Controller of Accounts Accounts Chamber Final Accounts Administration Ministry of Finance and Economic Planning
5. BEST, Philmore Maranda	Barbados	Budget Analyst Budget Section Ministry of Finance and Planning
6. BLEKH, Aharon	Israel	Chief Assistant to the Director National Accounts Division Central Bureau of Statistics
7. BOSZE, Zoltán	Hungary	Independent Head Section of State Finances Economic and Budget Department Ministry of Finance

NAME	COUNTRY	POSITION AND AFFILIATION
8. CHULU, Efreda (Miss)	Zambia	Statistician Public Finance Division Department of Census and Statistics Ministry of Development Planning
9. CROCKART, David Clarke	Australia	Principal Research Officer Class 8 Commonwealth Finance and Estimates Subsection Public Finance Section Australian Bureau of Statistics
10. DLAMINI, Doris Busisiwe (Mrs.)	Swaziland	Assistant Secretary Finance Division Ministry of Finance
11. FERNANDEZ, Aurorita M. (Mrs.)	Philippines	Treasury Division Chief Fiscal Management Division Bureau of the Treasury Ministry of Finance
12. GUGNANI, O. P.	India	Director (Fiscal Policy) Economic Division Department of Economic Affairs Ministry of Finance
13. HASSAN, Nadiya (Mrs.)	Maldives	Officer Research and International Organizations Division Maldives Monetary Authority
14. KANNEH, Joe Mustapha	Sierra Leone	Supervisor Domestic Public Finance Research Department Bank of Sierra Leone
15. KHLIFAWI Jazaerly, Mohamed Nazir	Syria	Co-Director of Statistics and Planning Ministry of Finance

NAME	COUNTRY	POSITION AND AFFILIATION
16. LIYANAGE, Chandrasena	Sri Lanka	Economist Public Finance Division Economic Research Department Central Bank of Ceylon
17. LOSEMA, Robert	Papua New Guinea	Research Officer Finance and Taxation National Accounts National Statistical Office
18. LUNDQVIST, Ulla- Britt (Miss)	Sweden	Economist Capital Market Department Sveriges Riksbank
19. MAPITSE, Gobona Susan (Mrs.)	Botswana	Finance Administrator Cash Flow Unit Division of Financial Affairs Ministry of Finance and Development Planning
20. MASOOD, Ghulam Sarwar	Pakistan	Research Officer Research and Statistical Cell Ministry of Finance
21. MOLAPO, Peete	Lesotho	Economist Research Department Central Bank of Lesotho
22. MONTANJEES, Marie (Ms.)	New Zealand	Senior Investigating Officer Finance I Division Treasury
23. MUHAMMAD, Mustaffa H.	Malaysia	Principal Assistant Secretary Economics and International Division Federal Treasury Ministry of Finance
24. OLADEJI, Lateef Gbolagade	Nigeria	Assistant Economist Public Finance Office Domestic Finance Division Research Department Central Bank of Nigeria

NAME	COUNTRY	POSITION AND AFFILIATION
25. OWEKA, Oballim M. L.	Uganda	Statistician Economic Analysis Economic Affairs Department Ministry of Finance
26. SACCO, Leonard	Malta	Administrative Assistant Recurrent Estimates Section Ministry of Finance
27. STUBLER, Walter	Austria	Staff Member Public Sector Statistics National Accounts Division Austrian Central Statistical Office
28. SUTANADILOK, Werawat	Thailand	Economist Public Finance Section Department of Economic Research Bank of Thailand
29. TASSIA, Erkki Johannes	Finland	Senior Principal Secretary Bureau for Public Finance Economics Department Ministry of Finance
30. TUMMINGS, Barbara Constance (Miss)	Jamaica	Economist/Statistician III Fiscal Policy and Monitoring Unit Ministry of Finance and Planning
31. UJIKANE, Hiroyuki	Japan	Section Chief Research Division Budget Bureau Ministry of Finance
32. YEUN, Yong-Ro	Korea	Deputy Director Government Accounting Division Treasury Bureau Ministry of Finance
33. ZHANG En-hua	China	Graduate Student Monetary Authority Shaanxi Institute of Finance and Economics

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Course on Government Finance Statistics (1984-IV)

February 13 - April 6, 1984

List of Topics

Lectures

GFS System
Coverage
Government Accounting and Source Documents
Derivation I: Budgetary Central Government
Derivation II: Consolidated Central Government
Accounting: Commercial Accounts and Transformation to Cash Basis
Revenue Classification
Expenditure Classification
Local Government
Monthly Data
Data Review
Financing Data
Debt Data
Nonfinancial Public Enterprises (NFPE)
Application and Analysis
GFS Seminar 1/
Area Department Need for GFS
Relationship of GFS to the U.N. System of National Accounts
Organizational Aspects of the International Monetary Fund
The Fund's Code of Conduct
Origins and Uses of Fund Resources
International Liquidity and Special Drawing Rights
Recent Evolution of the International Monetary Fund

Case Studies

Coverage
Derivation I: Budgetary Central Government
Derivation II: Consolidated Central Government
Revenue Classification
Expenditure Classification
Financing and Debt
Nonfinancial Public Enterprises (NFPE)
Application and Analysis

1/ The seminar was introduced by a short lecture.

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Course on Government Finance Statistics (1984-IV)

February 13 - April 6, 1984

List of Documents

Summaries and Case Studies

Section 1

INST/84-IV/1-1	GFS System
INST/84-IV/1-3	Government Accounting and Source Documents
INST/84-IV/1-7	Local Government
INST/84-IV/1-8	Monthly Data
INST/84-IV/1-9	Data Review
INST/84-IV/1-11	GFS Seminar

Section 2

INST/84-IV/2-1	Organizational Aspects of the International Monetary Fund
INST/84-IV/2-2	The Fund's Code of Conduct
INST/84-IV/2-3	Origins and Uses of Fund Resources
INST/84-IV/2-4	International Liquidity and Special Drawing Rights
INST/84-IV/2-5	Recent Evolution of the International Monetary Fund

Case Studies

INST/84-IV/CS-1	Coverage
INST/84-IV/CS-2	Derivation I: Budgetary Central Government
INST/84-IV/CS-3	Derivation II: Consolidated Central Government
INST/84-IV/CS-4	Revenue Classification
INST/84-IV/CS-5	Expenditure Classification
INST/84-IV/CS-6	Financing and Debt
INST/84-IV/CS-7	Nonfinancial Public Enterprises (NFPE)
INST/84-IV/CS-8	Application and Analysis

Fund Publications

International Monetary Fund, Annual Report 1983
_____, Articles of Agreement
_____, Draft Manual on Government Finance Statistics, June 1974
_____, Finance and Development, December 1983, Vol. 20, No. 4
_____, Government Finance Statistics Yearbook, Vol. VII, 1983
_____, IMF Survey, "Supplement on the Fund," September 1983,
Annual Meetings Edition, October 10, 1983 and Issues from
February 6 through March 26, 1984

_____, International Finance Statistics, February 1984
_____, Selected Decision of the IMF, April 30, 1983
_____, World Economic Outlook, 1983

Other Fund Documents

Goreux, Louis M., Compensatory Financing Facility, Pamphlet N° 34, 1980.

Hooke, Augustus W., The International Monetary Fund: Its Evolution, Organization, and Activities, Pamphlet N° 37, Third Edition, 1983.

Høst-Madsen, Poul, Macroeconomic Accounts: An Overview, Pamphlet N° 29, 1979.