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Response to request for information for preparation of document E/ESCAP/CST(2)/8 - Response by International Monetary Fund ¹

GUIDE QUESTIONS

1. How would your organization's mandate to provide statistical training be best described? Please provide a summary of its key features. (*Note: You may provide a copy of available documentation that contains this information.*)

RESPONSE

IMF statistical training is part of a package of technical assistance provided by the IMF to member countries to support their economic and financial management. Courses in macroeconomic statistics offered by IMF Statistics Department (STA) train country officials in the methodologies needed to assemble reliable statistics on national accounts, balance of payments, government accounts, prices, the monetary sector, and other areas. This reflects the IMF's leading role in promoting the development of international statistical standards and methodologies and their implementation across the membership.

• Is providing statistical training a specific function of the organization or does it indirectly arise as part of a broader function related to statistical capacity building?

RESPONSE

IMF statistical training is part of a broader function related to statistical capacity building in member countries.

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• What is the organizational set-up (infrastructure, human, financial resources) for providing training?

RESPONSE

The IMF provides training to officials of member countries at several venues and through different modalities: at Headquarters (HQ), through a global network of seven regional training centers (RTCs), through regional technical assistance centers (RTACs), at other locations in collaboration with various regional training institutions and national governments, and through a distance learning in special cases. The IMF- Singapore Training Institute (STI), the Pacific Financial Technical Assistance Center (PTAC), and the Joint India-IMF Training program caters for the needs of the APD members. These efforts are closely integrated with the IMF's technical assistance program. The training is undertaken by the IMF Statistics Department or in collaboration with the IMF Institute (INS).

<u>For national training organizations</u>- If you provide training to or collaborate in the provision of training to other countries, please include information on this.

RESPONSE

STA also provides training through collaboration activities with regional agencies. In 2009/2010 they made up to about 20 percent of such training provided by the IMF. The IMF also conducts regional outreach seminars to promote graduation from GDDS to SDDS and assess countries' experience with the GDDS. In April 2008, a workshop was conducted in Thailand that brought together participants from Asia and the Pacific region, to discuss and share their experiences with using the GDDS as a statistical development framework.

2. What would you consider the major achievements/outputs of your organization in relation to the provision of training in the <u>last five years</u>? Briefly discuss why you consider these as major achievements of your organization. What are some critical success factors that may be drawn from your experiences?

RESPONSE

The major achievement in provision of training is improved capacity and/or improved plans for production of high quality official statistics. Indicators include the number of countries that have joined the General Data Dissemination System (GDDS) and subscribers to the Special Data Dissemination Standards (SDDS). For example, in the APD region, ten economies are SDDS subscribers and fifteen are GDDS (see attachment 11).

• Training activities (training programme; workshops; courses: *Please provide information on number of trainees, countries covered (if applicable), substantive area of training, mode of delivery, whether training materials are made available in the public domain.*)

RESPONSE

Over the last five years, the IMF conducted 46 statistical training courses in the APD region: *BPM6* (2); Coordinated Direct Investment Survey (3); International Investment Position (IIP) and External Debt Statistics (4); International-Trade in Services Statistics (3); National Accounts Statistics (5); Balance of Payments Statistics and IIP (6); Banking Statistics on Cross-Border flows: Compilation and Monitoring (1); Data

Template on International Reserves and Foreign Currency liquidity (1); Financial Soundness Indicators (5); Government Finance Statistics and Public Debt Statistics (5); Monetary and Financial Statistics (8); Price Statistics (1); Remittances Workshop (1); and Use of Macro-economic Statistics for Policy Analysis and Decision making (1).

Training frameworks developed and adopted (Please describe the framework.)

RESPONSE

IMF statistical training courses emphasize practical learning, using case studies and hands-on exercises as basic teaching tools. Course materials are constantly revised to reflect not only new developments in statistical methodologies, but also to address the most relevant statistical issues that participants face in their countries. The course programs reflect the expertise built over the years by the IMF while working with its member countries.

• Assessment and evaluation frameworks and tools developed and applied (*Please describe the frameworks and tools*.)

RESPONSE

Evaluating the effectiveness of technical assistance remains an integral component of the overall program, ensuring that resources dedicated to this important member service deliver the expected knowledge transfer and strengthened capacity.

3. How does your organization develop its strategy and determine its priorities for providing training?

RESPONSE

Technical assistance is planned and prioritized through diagnostic missions and Reports on Observance of Standards and Codes (ROSCs), as well as the development of country and regional strategies in coordination with other IMF departments and the Regional Technical Assistance Centers (RTACs). The key criteria for assessing TA needs in the APD region, for example, remain specific capacity constraints, macroeconomic vulnerabilities, and systemic importance, as well as track records with previous TA. As a result, low and lower-middle income countries (25 of the total of 33 countries in APD) are expected to continue receiving the bulk of IMF TA allocation in the region. However, among them, program and near-program countries remain the focus, balancing their critical needs with TA requirements in other APD countries.

• Describe the overall process undertaken currently to determine priorities. What are considered in the selection of substantive area, target trainees, target countries (if applicable), mode of delivery? What assessment tools are used to determine training needs?

RESPONSE

The Regional Technical Assistance Strategy Notes developed by the IMF outline shortand medium-term technical assistance priorities for the regions covered and provide a unifying framework for the delivery of technical assistance. The focus of technical assistance in macroeconomic statistics is on low-income and post conflict countries that are committed to GDDS participation and to the adoption of the GDDS as the framework for their statistical development. To bring about lasting improvements in national statistical systems, STA's technical assistance program is characterized by the promotion of internationally accepted statistical methodologies and compilation practices, emphasis on regional projects and working with regional institutions, and collaboration with other donors and providers of technical assistance.

The main vehicle for the delivery of technical assistance continues to be short-term single-topic missions conducted by IMF staff and externally recruited experts. These missions often originate in, and are part of, comprehensive medium-term country projects designed by multi-sector statistics missions or as follow-up to ROSC assessment missions

• Are you considering changes in the current process? If so, what are these changes and why are these changes being introduced?

RESPONSE

No

- 4. **Future directions in the provision of training.** Please respond to the questions below from the perspective of a training provider in the ESCAP region:
 - 4.1. What are the *existing* major gaps in the knowledge and skills of organizations comprising the national statistical systems that hamper the accomplishments of their mandates?

RESPONSE

The main knowledge gaps and skills in the region are mainly in the area of national accounts, government finance and external sector statistics. In other areas, STA assistance in developing financial soundness indicators is a timely interest. In addition, scoping missions related to G-20 work in filling data gaps are envisaged in FY2011.

4.2. What are new knowledge areas and skills that producers of official statistics should be equipped with in order for them to be able to respond readily to emerging needs in the next five to ten years?

RESPONSE

Training in the implementation of the 2008 SNA and BPM6.

4.3. What new strategies and training approaches have your organization recently adopted or are being considered and tested to better meet the training needs in the region? Please elaborate the reasons for these choices to meet the abovementioned needs for training in the region.

RESPONSE

While significant improvements in statistical capacity building have taken place during the past decade in emerging-market economies, the recent financial crisis and the consequent severe global economic dislocation has brought to the fore the need for further improvements in the quality and availability (to policymakers and the public) of key statistics. To respond to some of these concerns, compilation of statistics that are key to monitoring a country's financial vulnerabilities has been strengthened in the SDDS by the incorporation of financial soundness indicators in the SDDS. The Fund is well positioned to make an important contribution by helping to improve the availability and quality of specific datasets crucial to the monitoring of financial vulnerabilities through

provision of technical assistance (TA) in these areas. The datasets that may be in need for improvement are dispersed across several statistical domains: external sector statistics, monetary statistics, financial statistics, government finance statistics, and real sector statistics.

To address these issues the IMF has initiated a multi-donor trust fund to leverage existing IMF expertise by scaling up the IMF's supply of TA to meet the demand from many economies to address identified data gaps. The trust fund's approach builds on the IMF's tradition in providing high-quality TA. It will be programmatic, covering specific datasets and efforts to strengthen data dissemination, and delivering TA flexibly in the form of modules tailored to country circumstances. The TA will be results-oriented, delivering concrete outcomes over a multi-year horizon. The trust fund will coordinate carefully with other TA providers and stakeholders, consistent with the *Paris Declaration on Aid Effectiveness* and the *Accra Agenda for Action*. An important component of the technical assistance program is to complement short-term missions with the placement of long-term statistical advisors. During FY2009, STA had 16 resident long-term experts in selected countries and regions, including 8 in the RTACs (one in PTAC)

5. Regional coordination of training.

5.1. Does your organization have existing policies or practices with regard to coordination of training? If yes, please briefly describe these. What are the benefits for your own organization?

RESPONSE

Since 2007, the IMF has adopted Regional Technical Assistance Strategy Notes (RSNs) as a framework for establishing technical assistance priorities cutting across countries within each region. RSNs are prepared by the IMF's area departments in consultation with IMF departments that provide technical assistance. They succinctly outline short-and medium-term technical assistance priorities for the region covered by an area department and provide a unifying framework for technical assistance delivery to the countries of the region. The IMF statistical training is broadly governed by this framework. The IMF Statistics Department has adopted an explicit regional approach to provide strategic regional and country perspectives to its technical assistance program. The regional approach strengthens the coordination with the IMF area departments in setting up technical assistance priorities and establishes prominent roles for regional managers and country coordinators within STA, which have been set out in detail in their respective Terms of Reference. A regional manager provides leadership for the technical assistance program in the assigned region.

5.2. In your view,

• What are the benefits of better coordination in the provision of training for the national statistical systems in the region?

RESPONSE

First, APD regional issues and engagement are brought more to the forefront of the Fund capacity building initiatives, in recognition of the rapid pace at which the region is transforming and, in the process, the common challenges many countries face in emerging from the global crisis. The regional approach strengthens the coordination with the IMF's area departments in setting up technical assistance priorities. A regional manager provides leadership for the statistical technical assistance program in the region. The regional managers'

responsibilities include developing a regional strategy and establishing priorities for assistance in consultation with the area departments and country authorities.

• What principles and strategies for regional coordination would be most relevant? What corresponding mechanisms would be most useful?

RESPONSE

- o The IMF seeks to continue to improve coordination with regional agencies and other TA providers, building synergies and avoiding overlap in the provision of TA, especially under the current environment where budgets are tight and demand continues to exceed supply. This work extends to implementation of the 2008 SNA, BPM6, and the work on filling data gaps revealed by the recent crisis
- What are two main issues related to coordination of training that you wish the Committee on Statistics to consider at its Second Session?

RESPONSE

 \circ $\;$ The implementation of the 2008 SNA, BPM6 and filling of data gaps.

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