

50 years of quality and transparency of the World Bank Debtor Reporting System ... counting

12th biennial IFC conference

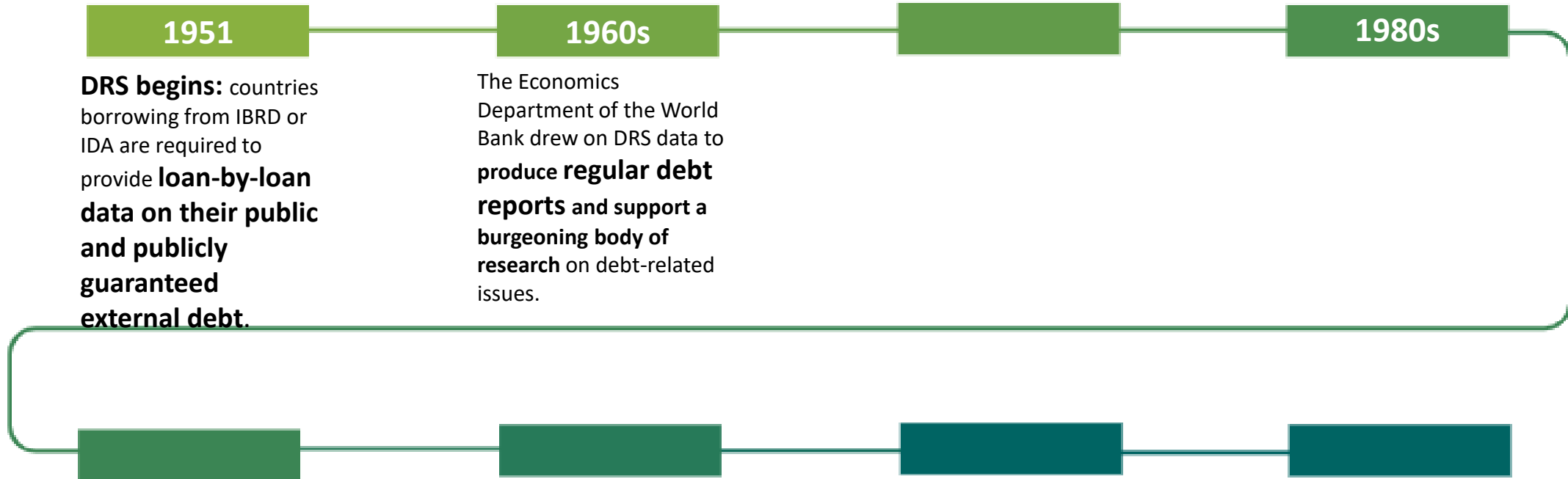
“Statistics and beyond: new data for decision making in central banks”

BIS, Basel, 22-23 August 2024

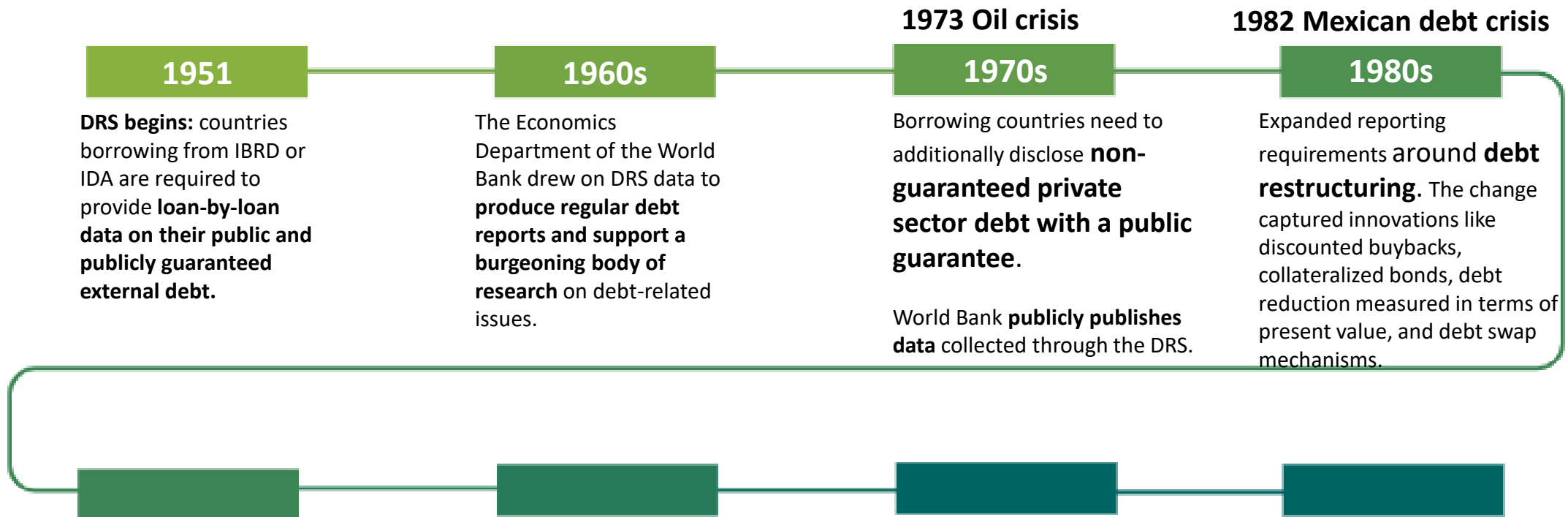
The World Bank International Debt Statistics 50 years of Transparency



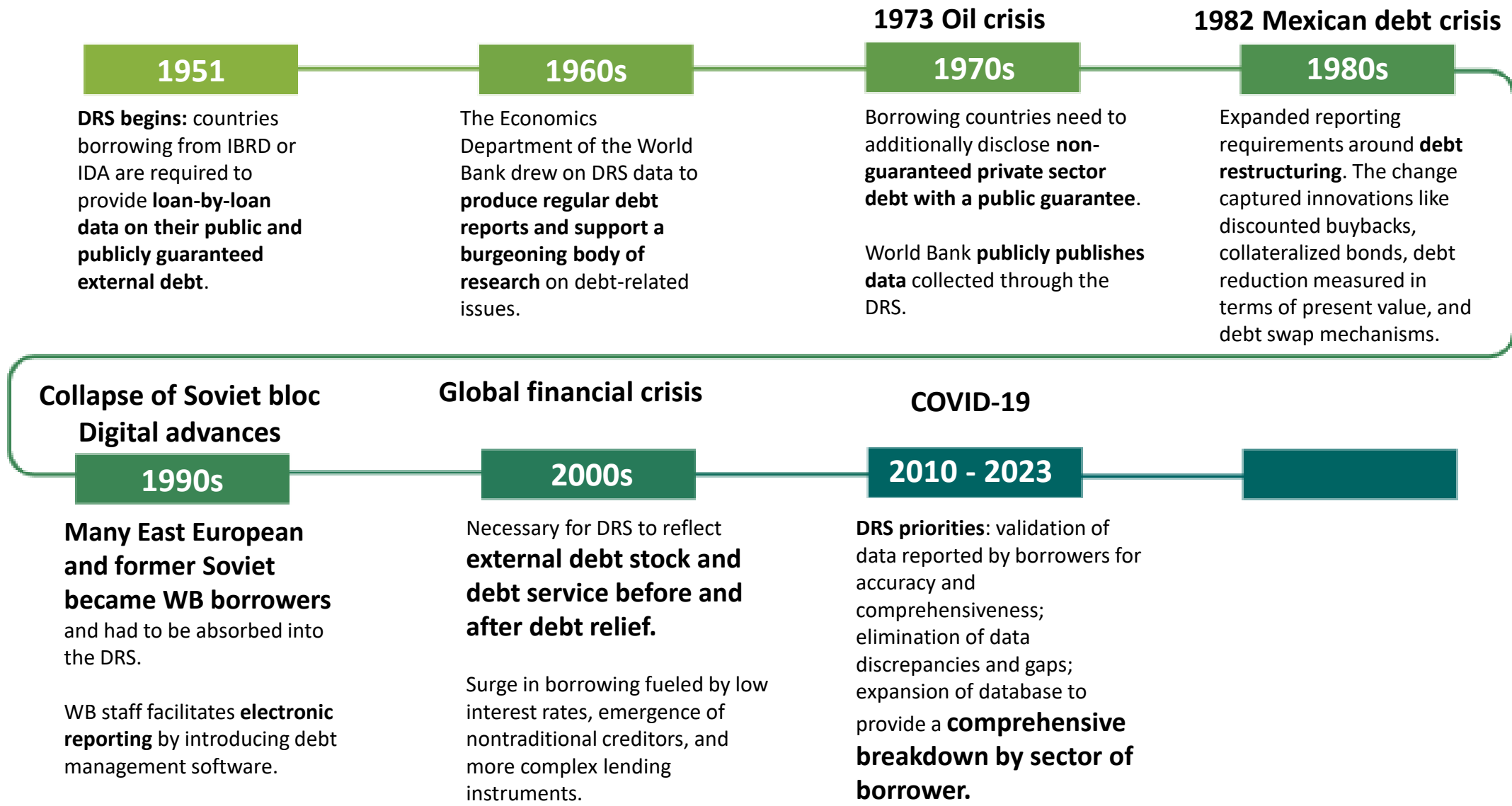
Debtor Reporting System (DRS) moves with the times...



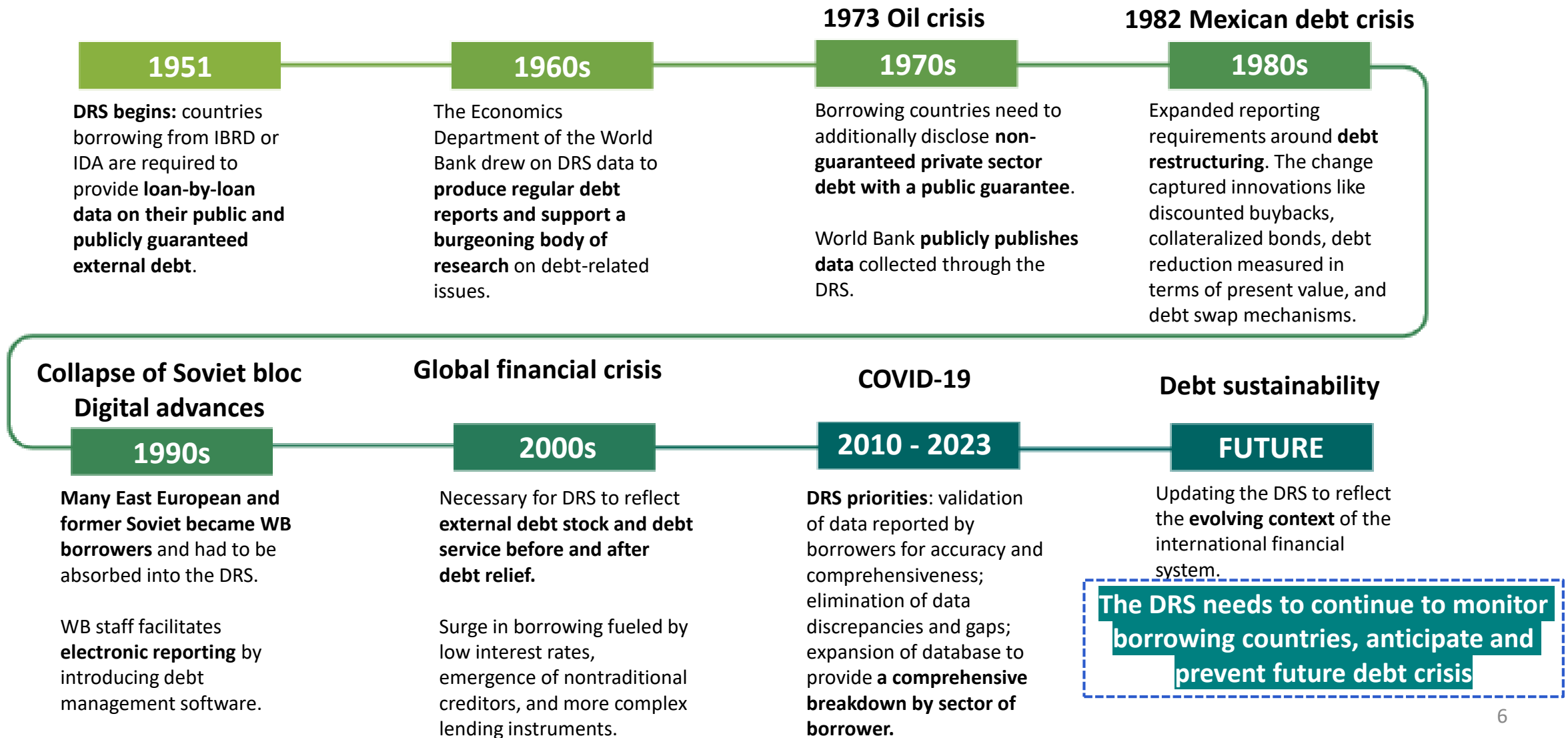
Debtor Reporting System (DRS) moves with the times...



Debtor Reporting System (DRS) moves with the times...



Debtor Reporting System (DRS) moves with the times...



... and is crucial to
align with the
World Bank
mission:



... and is crucial to align with the **World Bank mission:**



- 1 Detailed view of a country's **borrowing activities**
- 2 Accessibility to **external funds** and **borrowing costs**

... and is crucial to align with the **World Bank mission:**



- 1 Detailed view of a country's **borrowing activities**
- 2 Accessibility to **external funds** and **borrowing costs**
- 3 Analysis of the **debt burden**, **debt-service capacity**, financing needs and creditworthiness
- 4 **Projected repayment profiles** (analysis and management of obligations)

External debt enhancements

WHY?



1 World Bank's policy:

...the Bank shall pay due regard to the prospects that the borrower, and, if the borrower is not a member, that the guarantor, will be in position to meet its obligations under the loan... (Bank's Articles of Agreement, Section 4, v))

External debt enhancements

WHY?



1 World Bank's policy:

...the Bank shall pay due regard to the prospects that the borrower, and, if the borrower is not a member, that the guarantor, will be in position to meet its obligations under the loan... (Bank's Articles of Agreement, Section 4, v))

2

The World Bank plays a role as a catalytic in development finance:

Promote economic
growth & efficient
resource allocation

Development of
strategies, sector
and private
investments

Provides policy
based financing

3 New international context of the low- and middle-income countries:

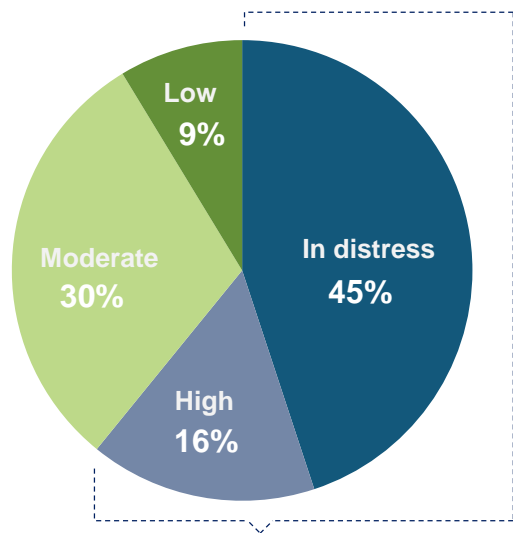
- Higher indebtedness and financial exposure
- New and more complex debt portfolios
- Increase the statistical capacity of the low- and middle-income countries

New international context of the low- and middle-income countries

WHY?

In 2022, the debt stock of low- and middle-income countries reached US\$ 9 trillion, **IDA countries owe over US\$ 1 trillion**

Risk of debt distress for IDA countries



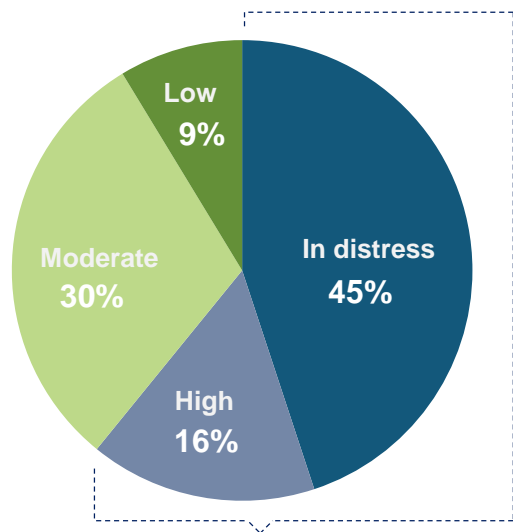
61% subject to LIC
DSF are at **high risk** of
debt distress or are already
in debt distress

New international context of the low- and middle-income countries

WHY?

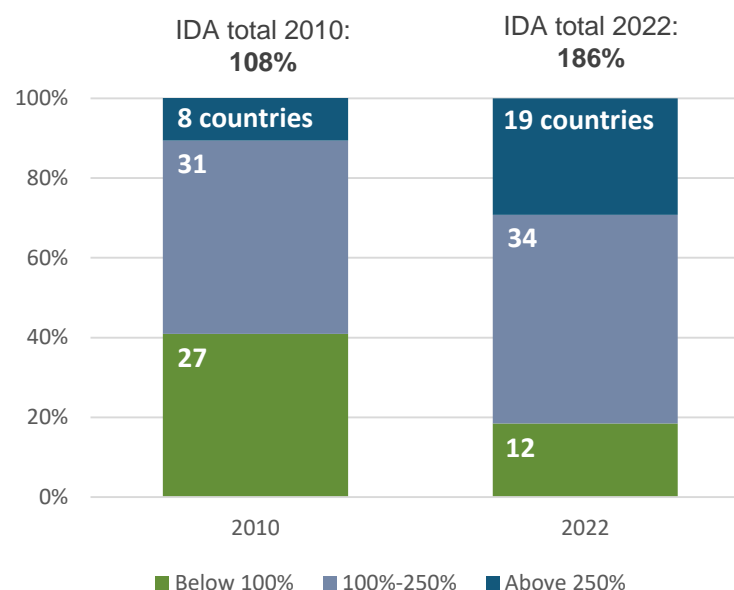
In 2022, the debt stock of low- and middle-income countries reached US\$ 9 trillion, **IDA countries owe over US\$ 1 trillion**

Risk of debt distress for IDA countries



61% subject to LIC
DSF are at **high risk** of
debt distress or are already
in debt distress

Debt / Exports



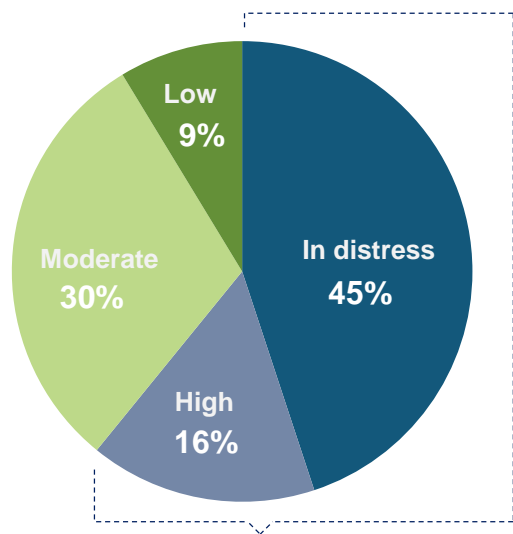
53 IDA countries reached above
100% percent of External Debt to Exports

New international context of the low- and middle-income countries

WHY?

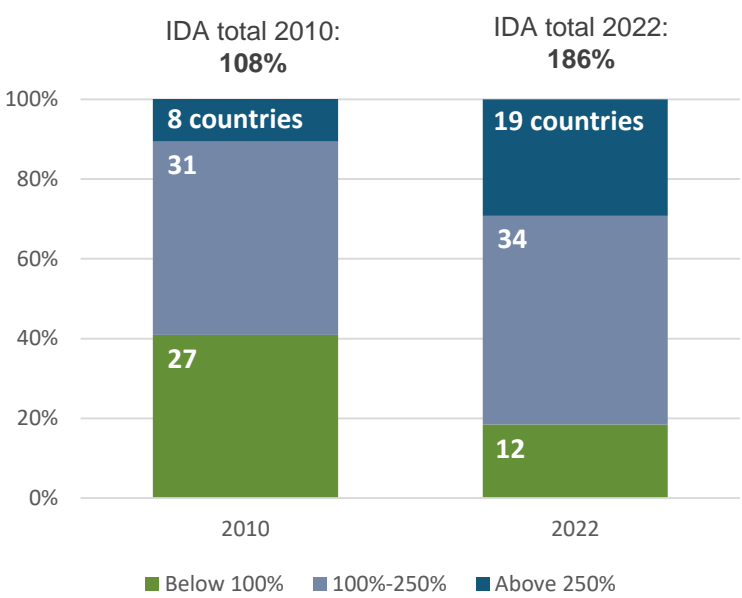
In 2022, the debt stock of low- and middle-income countries reached US\$ 9 trillion, **IDA countries owe over US\$ 1 trillion**

Risk of debt distress for IDA countries



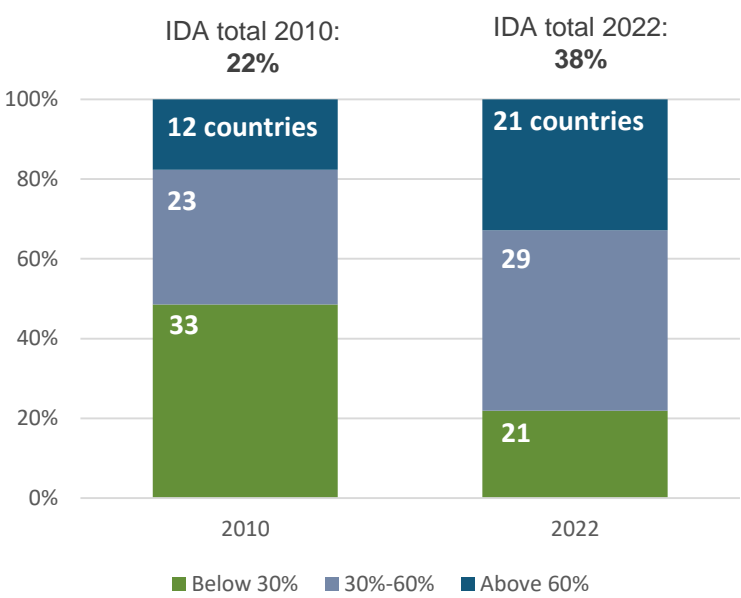
61% subject to LIC DSF are at **high risk** of debt distress or are already **in debt distress**

Debt / Exports



53 IDA countries reached above 100% percent of External Debt to Exports

Debt / GNI



21 IDA countries reached above 60% percent of External Debt to GNI

External debt enhancements

WHY?

3 New international context of the low- and middle-income countries:

- Higher indebtedness and financial exposure
- New and more complex debt portfolios
- Increase the statistical capacity of the low- and middle-income countries

4 Update of the new methodological international standards *SNA 2025, BPM7, EDS*

External debt enhancements

WHAT?

More information on gross external debt, aiming to improve:

Coverage

Residency concept, sector / subsectors, financial instruments

External debt enhancements

WHAT?

More information on gross external debt, aiming to improve:

Coverage

Residency concept, sector / subsectors, financial instruments

Scope

Deeper characterization of the debtor, creditor, guarantor

External debt enhancements

WHAT?

More information on gross external debt, aiming to improve:

Coverage

Residency concept, sector / subsectors, financial instruments

Scope

Deeper characterization of the debtor, creditor, guarantor

Economic analysis

Economic prospects, financing needs, creditworthiness and debt sustainability

1 Improvement of debt transparency - timely, complete and accurate data

- More **granular data** - enabling micro and macro level analysis
- New **requirements** - raw data which can be used for different statistical purposes and reduce reporting burden
- New **indicators** and **perspectives** - immediate vs potential risk, debt-servicing assessment, currency details ...

External debt enhancements

HOW?

1 Improvement of debt transparency - timely, complete and accurate data

- More **granular data** - enabling micro and macro level analysis
- New **requirements** - raw data which can be used for different statistical purposes and reduce reporting burden
- New **indicators** and **perspectives** - immediate vs potential risk, debt-servicing assessment, currency details ...

2 Supporting the reconciliation between creditor and debtor data

Technical Working Group for Improving and Enhancing Public and External Debt Statistics (TWGDS)

HOW?

- Collaborative work – composition



World Bank

Technical Working Group for Improving and Enhancing Public and External Debt Statistics (TWGDS)

HOW?

- Collaborative work – composition



World Bank



IMF Statistics Department

Technical Working Group for Improving and Enhancing Public and External Debt Statistics (TWGDS)

HOW?

- Collaborative work – composition



World Bank



IMF Statistics Department



COMSEC Debt Management unit

Technical Working Group for Improving and Enhancing Public and External Debt Statistics (TWGDS)

HOW?

- Collaborative work – composition



World Bank



IMF Statistics Department



COMSEC Debt Management unit



UNCTAD DMFAS

Technical Working Group for Improving and Enhancing Public and External Debt Statistics (TWGDS)

HOW?

- Collaborative work – composition



World Bank



IMF Statistics Department



COMSEC Debt Management unit



UNCTAD DMFAS

- Expected outcomes

1. New **DRS Manual and Reporting Requirements**
2. New **DRS reporting template**
3. New **domestic debt reporting requirement** (as a voluntary addition to the DRS)
4. **DMFAS and Meridian system** to accommodate the DRS reporting template(s) along with Quarterly External Debt Statistics and Quarterly Public Sector Debt reporting template
5. An interagency **Technical Assistance program**

DRS: Expanding the reporting requirements

Strategic goals

Completeness

Coverage - external debt
characterization &
operations

Granularity - report based
on micro-data level detail

DRS: Expanding the reporting requirements

Strategic goals

Completeness

Coverage - external debt characterization & operations

Granularity - report based on micro-data level detail

Quality

Accuracy - validated with more sources and categories

Analysis - new debt indicators

DRS: Expanding the reporting requirements

Strategic goals

Completeness

Coverage - external debt characterization & operations

Granularity - report based on micro-data level detail

Quality

Accuracy - validated with more sources and categories

Analysis - new debt indicators

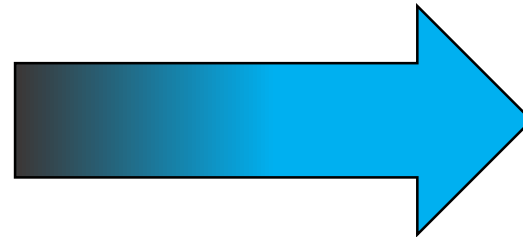
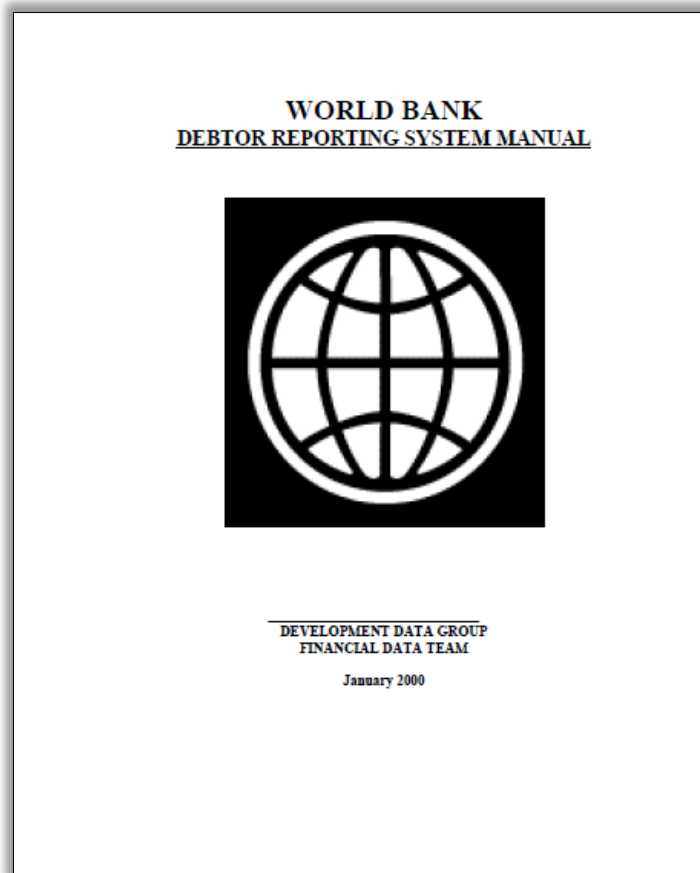
Efficiency

Integration - of the forms 1 and 2 into a single reporting template with new data requirements

Interpretability - comprehensive sections & self-explained template

Consistency - in line with international standards

DRS Manual Updates (DRS 2025)



DRS: Expanding the reporting requirements

Next Steps

Manual

- The TWGDS finalizes the DRS Manual and reporting template

DRS: Expanding the reporting requirements

Next Steps

Manual

- The TWGDS finalizes the DRS Manual and reporting template

Template

- Implementation of the final template into COMSEC and UNCTAD debt systems

DRS: Expanding the reporting requirements

Next Steps

Manual

- The TWGDS finalizes the DRS Manual and reporting template

Template

- Implementation of the final template into COMSEC and UNCTAD debt systems

Countries reporting requirements

- DMO (Ministry of Finance) – Public and Publicly Guaranteed Debt
- Central Bank (Statistics Department) – Central Bank Debt, Private Non-Guarantee debt, Special Purpose Vehicles

DRS: Expanding the reporting requirements

Next Steps

Manual

- The TWGDS finalizes the DRS Manual and reporting template

Template

- Implementation of the final template into COMSEC and UNCTAD debt systems

Countries reporting requirements

- DMO (Ministry of Finance) – Public and Publicly Guaranteed Debt
- Central Bank (Statistics Department) – Central Bank Debt, Private Non-Guarantee debt, Special Purpose Vehicles

Technical assistance

- Training courses, missions to DRS countries on implementation of the new DRS requirements

DRS: Expanding the reporting requirements

Next Steps

Manual

- The TWGDS finalizes the DRS Manual and reporting template

Template

- Implementation of the final template into COMSEC and UNCTAD debt systems

Countries reporting requirements

- DMO (Ministry of Finance) – Public and Publicly Guaranteed Debt
- Central Bank (Statistics Department) – Central Bank Debt, Private Non-Guarantee debt, Special Purpose Vehicles

Technical assistance

- Training courses, missions to DRS countries on implementation of the new DRS requirements

Feedback from the countries

- Public consultation with the DRS countries reporters and users



Thank you!

Debt Statistics Website: <https://www.worldbank.org/en/programs/debt-statistics>