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Items for information: finance statistics

Report of the International Monetary Fund on finance statistics

Note by the Secretary-General

In accordance with Economic and Social Council decision 2022/324 and past practices, the Secretary-General has the honour to transmit the report of the International Monetary Fund on finance statistics, which is presented to the Commission for information.

The report contains an outline of international efforts in the advancement of finance statistics, including a review of reporting and methodological efforts to address emerging data needs in the area of financial inclusion, financial technology (fintech) and digital money. The Commission is invited to take note of the report and the 2023–2024 workplan.

* E/CN.3/2023/1.



Report of the International Monetary Fund on finance statistics

I. Introduction

1. At its fiftieth session, in 2019, the Statistical Commission adopted decision 50/109 (see [E/2019/24-E/CN.3/2019/34](#), chap. I.B), in which it:

(a) Welcomed the report of the International Monetary Fund (IMF) on the review of the Inter-Agency Task Force on Finance Statistics and its substructures and expressed its appreciation for the activities undertaken by the Task Force;

(b) Agreed with the proposal that the responsibilities of the Task Force related to conceptual and methodological issues concerning external debt statistics be transferred to the Committee on Balance of Payments Statistics of IMF and that those concerning public sector debt statistics be transferred to the Intersecretariat Working Group on National Accounts and the Government Finance Statistics Advisory Committee of IMF;

(c) Expressed support for establishing a new operational body, focused on data management issues, called the inter-agency working group on debt statistics, to take over the non-methodological responsibilities of the Task Force and the data management work;

(d) Agreed that the work of the Task Force be put on hold until it had been determined that the new simplified structure and the migration of the programme of work of the Task Force had been successful and requested IMF to report to the Commission at its fifty-first session on the progress made on the new simplified structure and the migration of the work programme on finance statistics.

2. At its fifty-first session, in 2020, in its decision 51/105, the Commission agreed to dissolve the Task Force and the Inter-Agency Working Group on Debt Statistics (see [E/2020/24-E/CN.3/2020/37](#), chap. I.C).

3. The present report contains an outline of international efforts in the advancement of finance statistics, including a review of reporting and methodological efforts to address emerging data needs in the area of financial inclusion, financial technology (fintech) and digital money.

II. Work on finance statistics

A. Background

4. The conceptual and methodological responsibilities of the Task Force concerning external debt statistics and public sector debt statistics have been successfully transferred to the IMF Committee on Balance of Payments Statistics, the Intersecretariat Working Group on National Accounts and the IMF Government Finance Statistics Advisory Committee. Conceptual and methodological issues are being addressed in the context of the update of the *Balance of Payments and International Investment Position Manual* and the System of National Accounts. While a new operational body focused on data management issues has not yet been established, there has been significant improvement in the data management activities of debt statistics across relevant international organizations and national agencies. Much of this engagement and coordination has been facilitated through the Committee on Balance of Payments Statistics, the Intersecretariat Working Group on National Accounts and the Government Finance Statistics Advisory Committee, given

the strong linkages between conceptual and methodological advancement and data management activities. At this time, there does not appear to be a need to develop an inter-agency working group on debt statistics.

B. Work programme

5. In addition to the conceptual, methodological and data management work being undertaken, as described above, international efforts have focused on four broad areas of work: financial inclusion, digital money, fintech and climate finance. These areas of statistical developments are included in the new Group of 20 Data Gaps Initiative, which was welcomed by the Group of 20 in October and November 2022.

Financial inclusion

6. Financial inclusion is critical for sustainable and inclusive growth. Digitalization and fintech are having a significant impact on financial inclusion and access, yet the data are scarce. Enhanced indicators on access to and usage of digital financial services, such as mobile payments, Internet banking and alternative financing platforms, are key to monitoring the impact of financial innovation on the financial inclusion of individuals, especially the most vulnerable and financially underserved groups.

7. Significant progress has been made in enhancing financial inclusion statistics, including in the area of gender-disaggregated data. There is increasing interest in and urgency for new and more granular information on financial inclusion, notably to gauge the impact of fintech thereon. Data development work to support the monitoring of the impact of fintech-enabled financial inclusion in general and for different population groups, especially the most vulnerable and financially underserved, is beginning and is an important component of the new Data Gaps Initiative.

Digital money

8. The growing presence of new forms of digital money and cryptoassets used as a means of payment raises the potential for policy issues such as cross-border usage and currency substitution. Central banks are developing central bank digital currencies, and there is a need to monitor developments in relation to global stablecoins and other types of cryptoassets.

9. Work is under way to develop data collection instruments for new forms of digital money and cryptoassets used as a means of payment (including central bank digital currencies and global stablecoins).

10. Establishing a data collection framework and collecting data on digital money will help policymakers to monitor these developments and any associated risks in the future, including on the use of foreign central bank digital currencies, stablecoins and other types of cryptoassets used as means of payment, to ensure the proper coverage of monetary and liquidity aggregates and international capital flows.

Fintech

11. National authorities need more comprehensive information to understand the global trends and vulnerabilities of financial innovation and its impact on the financial system. Such understanding may help potential policy development to address the vulnerabilities identified.

12. Fintech credit is broadly defined to include all types of lending facilitated by electronic platforms, such as peer-to-peer lending and big technology (big tech) or other platform-based direct lending that may not be currently captured within

traditional measures of lending. The collection of comparable national aggregated data across jurisdictions and sectors would assist authorities in understanding the access to and usage of such fintech credit services and any build-up of risks to financial stability, especially if such data are based on an adequately detailed and standardized fintech taxonomy agreed upon at the international level in the context of the ongoing revisions of international classification standards and statistical manuals.

13. The annual non-bank financial intermediation monitoring exercise undertaken by the Financial Stability Board assesses global trends and vulnerabilities, in addition to innovations in such intermediation, and can help to shape more focused monitoring of specific intermediation activities and inform potential policy development. Work is under way to review the potential for collecting data on non-bank fintech credit as part of the Board's annual monitoring of global trends, vulnerabilities and innovations in non-bank financial intermediation. Reviewing the potential for collecting data on fintech credit (as generally defined above) as granted by non-bank entities at the global level would be a step towards providing authorities with information to understand global trends and vulnerabilities. This work will also consider the work on the update of the *International Standard Industrial Classification of All Economic Activities, Revision 4*, and the Central Product Classification.

Climate finance

14. In view of the economic and financial implications of climate change, green financing is considered globally to be a key instrument to support the transition to a more resilient economy. Several policy initiatives are being developed by policymakers and financial authorities around the globe as they work towards putting in place policies that encourage investment in green projects and activities and that can contribute to climate change adaptation and mitigation. This is part of general efforts to promote a more balanced society regarding environmental, social and governance matters.

15. A key area of work in the coming years will be the development of methodological guidance to produce more comparable indicators of climate finance. The work will cover the reporting of data on green debt securities and (when possible) listed shares by economies using common methodologies. The development of methodological guidance will ensure greater interoperability and comparability of data reported across economies in the future, in particular for green equity (for which no international conceptual guidance yet exists). The initiative will also promote the collection and use of security-by-security data on green debt securities and listed shares, which will be key for assessing the role of firms and banks in the transition process.

16. This work will also help to better address the specificities of the impact of financial institutions on greenhouse gas emissions (e.g. carbon emissions). A key reason is the need to complement the analysis of the footprints directly related to the institutions' own operations by also considering the indirect impact through their financing of external activities. The data will support an assessment of the emission footprints of the securities portfolios of financial institutions in order to shed more light on the financing of carbon-intensive activities and the related risks posed to the financial sector. Such data would also help to provide information on the greenhouse gas intensity of cross-border portfolio flows.

III. Action to be taken by the Statistical Commission

17. **The Statistical Commission is invited to take note of the present report.**