

Improving synergies between social protection and Public Finance Management: Country Analysis

The course includes one brief country analysis. As the assigned time for the analysis is 90 minutes, it will be more of an overview of the country situation.

Please consider the World Revenue Longitudinal Database (WoRLD) at the IMF

<https://data.imf.org/?sk=77413F1D-1525-450A-A23A-47AEED40FE78&sId=1390030341854>

You can change, on the Data view (left side), in “Rows” choose your country of interest, and on the “Fixed” section you may look at several indicators, especially total revenue and social security revenue if available. This should provide you with a sense of the flow of resources available to this country for all expenditures and for Social Protection.

Then, if we were to consider the financing option of using foreign exchange reserves, remember this is not using a flow, it’s a one-time use of a stock. A common way to measure the excess reserves of a country is the Triffin criteria which considers reasonable to have 3 months of imports as reserves. For the purposes of this exercise, you may attempt to find total reserves of your country of interest and the import data. Then estimate three months of import data and check if the reserves exceed this and by how much. This would be the excess reserves that could be used by the country of interest.

Total reserves (stock)

<https://data.imf.org/regular.aspx?key=63087882>

Imports (monthly flows)

<https://data.imf.org/regular.aspx?key=61013712>

Do you have the impression that in this country it would be a good idea to use the excess reserves or that other options should be emphasized? Please consider in your answer the information you have collected in previous country exercises: on the Social Protection System and its needs, on the reliability of the budget as an indicator of administrative capacity and on the urgent poverty needs of this country.