



FINLAND

STAFF REPORT FOR THE 2019 ARTICLE IV CONSULTATION—INFORMATIONAL ANNEX

December 18, 2019

Prepared By

European Department

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FUND RELATIONS

(As of October 31, 2019)

Membership Status: Joined January 14, 1948; Article VIII.

General Resources Account:	SDR Million	Percent of Quota
Quota	2,410.60	100.00
Fund holdings of currency	2,009.87	83.38
Reserve Tranche Position	400.73	16.62
Lending to the Fund		
New Arrangements to Borrow	74.19	

SDR Department:	SDR Million	Percent of Quota
Net cumulative allocation	1,189.51	100.00
Holdings	1,123.68	94.47

Outstanding Purchases and Loans: None

Latest Financial Arrangements: None

Projected Payments to Fund:

(SDR million; based on existing use of resources and present holdings of SDRs):

	Forthcoming				
	2019	2020	2021	2022	2023
Principal					
Charges/Interest	0.15	0.55	0.55	0.55	0.55
Total	0.15	0.55	0.55	0.55	0.55

Exchange Rate Arrangements:

Finland's currency is the euro, which floats freely and independently against other currencies.

Finland has accepted the obligations under Article VIII, Sections 29a0, 3, and 4 of the Fund's Articles of Agreement. It maintains an exchange system free of restrictions on the making of payments and transfers for current international transactions, except for those measures imposed for security reasons in accordance with Regulations of the Council of the European Union, as notified to the Executive Board in accordance with Decision No. 144-(52/51).

Article IV Consultation:

Finland is on the 12-month consultation cycle.

FSAP Participation:

Finland had a review under the Financial Sector Assessment Program (FSAP) in 2016.

STATISTICAL ISSUES

(As of November 29, 2019)

I. Assessment of Data Adequacy for Surveillance	
General: Data provision is adequate for surveillance. The country has a full range of statistical publications, many of which are on the internet. The quality and timeliness of the economic database are generally very good.	
II. Data Standards and Quality	
Subscriber to the Fund's Special Data Dissemination Standard (SDDS) since June 3, 1996. Uses SDDS flexibility option for timeliness on data for central government operations. The authorities have expressed initial interest to adhere to the Special Data Dissemination Standard Plus.	Adherent to the Fund's Special Data Dissemination Standards Plus since June 6, 2018.

National Accounts: Finland publishes the national accounts according to the *European System of Accounts (ESA) 2010* since September 2014.

Government Finance Statistics: Government finance statistics were published based on *ESA 2010* methodology since September 2014.

External Sector Statistics: Finland publishes external sector statistics based on the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)* format since December 2014. Finland has completed the requirements for adherence to the IMF's Special Data Dissemination Standard (SDDS) Plus in 2018—the highest tier of the Data Standards Initiatives. However, Finland does not yet produce detailed external debt statistics. This means that the external debt sustainability exercise, which is a mandatory assessment for the IMF article IV, could not be carried out.

Monetary and Financial Statistics: Monetary data reported for *International Financial Statistics* are based on the European Central Bank's (ECB) framework for collecting, compiling, and reporting monetary data.

Finland: Table of Common Indicators Required for Surveillance
(As of November 29, 2019)

	Date of latest observation	Date received	Frequency of Data ⁷	Frequency of Reporting ⁷	Frequency of Publication ⁷
Exchange Rates	11/29/19	11/29/19	D	D	D
International Reserve Assets and Reserve Liabilities of the Monetary Authorities ¹	10/2019	11/2019	M	M	M
Reserve/Base Money	10/2019	11/2019	M	M	M
Broad Money	10/2019	11/2019	M	M	M
Central Bank Balance Sheet	10/2019	11/2019	M	M	M
Consolidated Balance Sheet of the Banking System	10/2019	11/2019	M	M	M
Interest Rates ²	10/31/19	10/31/19	D	D	D
Consumer Price Index	10/2019	11/2019	M	M	M
Revenue, Expenditure, Balance and Composition of Financing ³ – General Government ⁴	2018	09/2019	A	A	A
Revenue, Expenditure, Balance and Composition of Financing ³ – Central Government	2018	09/2019	A	A	A
Stocks of Central Government and Central Government-Guaranteed Debt ⁵	09/2018	10/2019	M	M	M
External Current Account Balance	09/2019	11/2019	M	M	M
Exports and Imports of Goods and Services	10/2019	11/2019	M	M	M
GDP/GNP	Q3 2019	11/2019	Q	Q	Q
Gross External Debt	Q2 2019	10/2019	Q	Q	Q
International Investment Position ⁶	Q2 2019	10/2019	Q	Q	Q
¹ Includes reserve assets pledged or otherwise encumbered as well as net derivative positions. ² Both market-based and officially-determined, including discount rates, money market rates, rates on treasury bills, notes, and bonds. ³ Foreign, domestic bank, and domestic nonbank financing. ⁴ The general government consists of the central government, including National Insurance Scheme, and local governments. ⁵ Including currency and instrument composition. ⁶ Includes external gross financial asset and liability positions vis-a-vis nonresidents. ⁷ Daily (D); weekly (W); monthly (M); quarterly (Q); annually (A); irregular (I); and not available (NA).					