

Annex 1. Comparison with Previous (2012) Template¹

2012 Template: Suggested Areas for Improvement ²	Modifications in the 2020 Template
A more intuitive presentation of results to help countries to think in PIH terms.	<ul style="list-style-type: none"> • Two variations of the long-term sustainability anchor introduced: “constant real annuity” and “constant real annuity per capita.” These anchors have a more intuitive interpretation than the traditional PIH anchor (constant share of non-resource GDP). • New charts showing “savings out of resource revenue” and “fiscal space from resource revenue.”
More flexibility to incorporate different fiscal paths toward the long-term anchor.	<ul style="list-style-type: none"> • User can define a transition path and associated fiscal multipliers.
Time varying (rather than static) growth and interest rate assumptions.	<ul style="list-style-type: none"> • User-defined medium-term macroeconomic projections are combined with long-term assumptions.
More flexibility in modeling investment scaling-up.	<ul style="list-style-type: none"> • The user specifies short-term and long-term investment multipliers and a depreciation rate. An option to specify different paths for current and capital spending is included.
Greater capability for scenario analysis.	<ul style="list-style-type: none"> • Option to create an alternative macro-fiscal framework for sensitivity analysis—varying assumptions for resource revenues, growth, interest rates, multipliers, and so on, and instantly compare the impact on the key variables. • Volatility stress test added. The user can assess the impact of commodity price shocks on key variables.

¹The previous template was a companion to IMF (2012a).

²Based on a 2016 survey of IMF country teams.

References

International Monetary Fund (IMF). 2012a. “Macroeconomic Policy Frameworks for Resource-Rich Developing Countries.” International Monetary Fund, Washington, DC.

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