Highlights from the World Observatory

Third Edition of the World Observatory on Subnational Government Finance and Investment

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What does the World Observatory offer?

Database			Country Profiles	Synthesis Report
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The WOFI has become truly global

Coverage of 135 countries and 664 000 subnational governments worldwide:



90% of world surface area



93% of world population



94% of global GDP

60 50 40 30 20 10 Single-tier countries Two-tier countries Three-tier countries Africa Europe I atin America Euro-Asia Middle East & West Asia Asia Pacific Source: SNG-WOFI (2022)

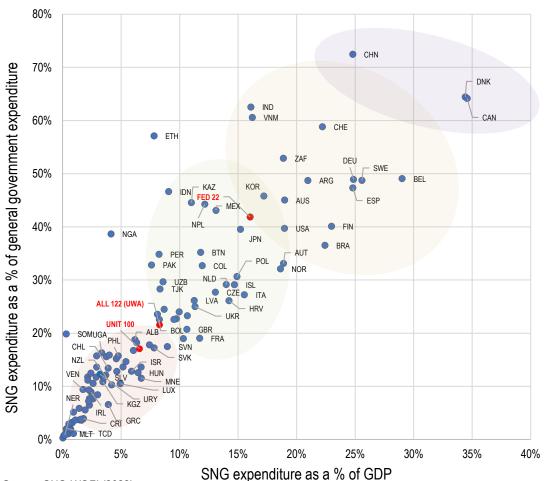
Subnational tiers of government by world region (2020)

70



SNGs account for a significant proportion of public spending...

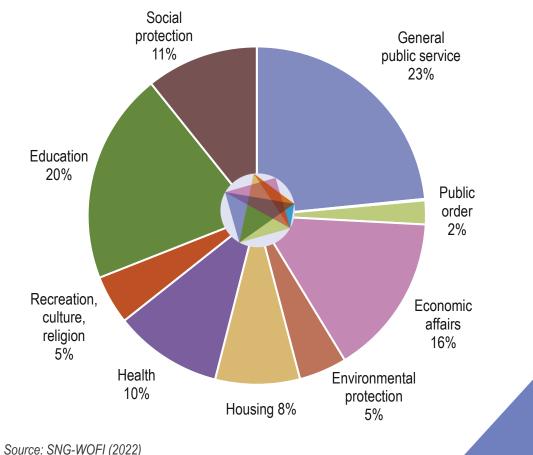
...but with huge differences across countries



There is wide variation in levels of spending decentralisation

SNGs are responsible for critical services

Average subnational expenditure by function as a % of total subnational expenditure



Source: SNG-WOFI (2022)



Subnational governments provide critical investment...

...but there is scope for them to invest more in some regions

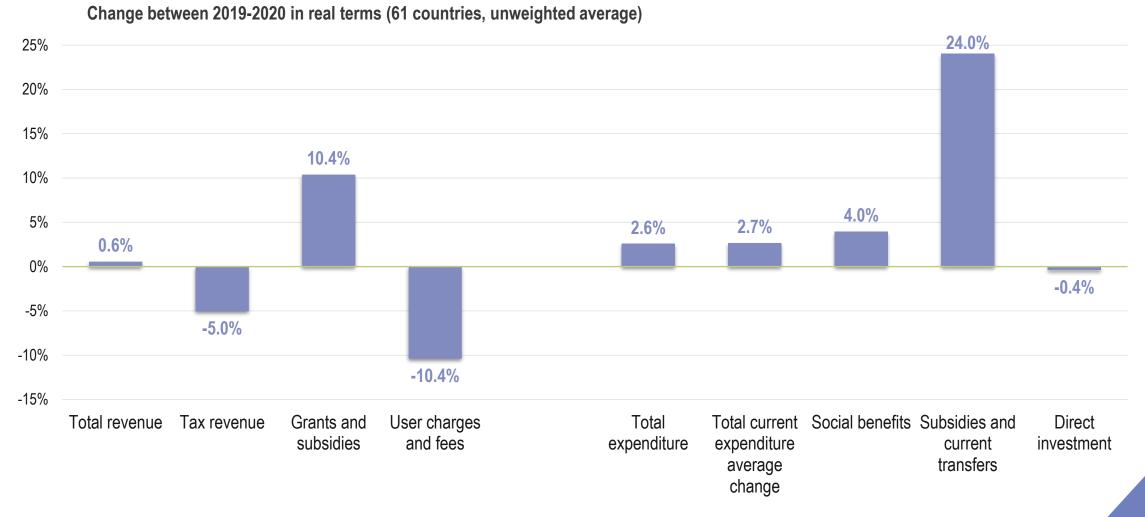


Subnational government investment as % of public investment by income groups and world regions (2020)

Source: SNG-WOFI (2022)



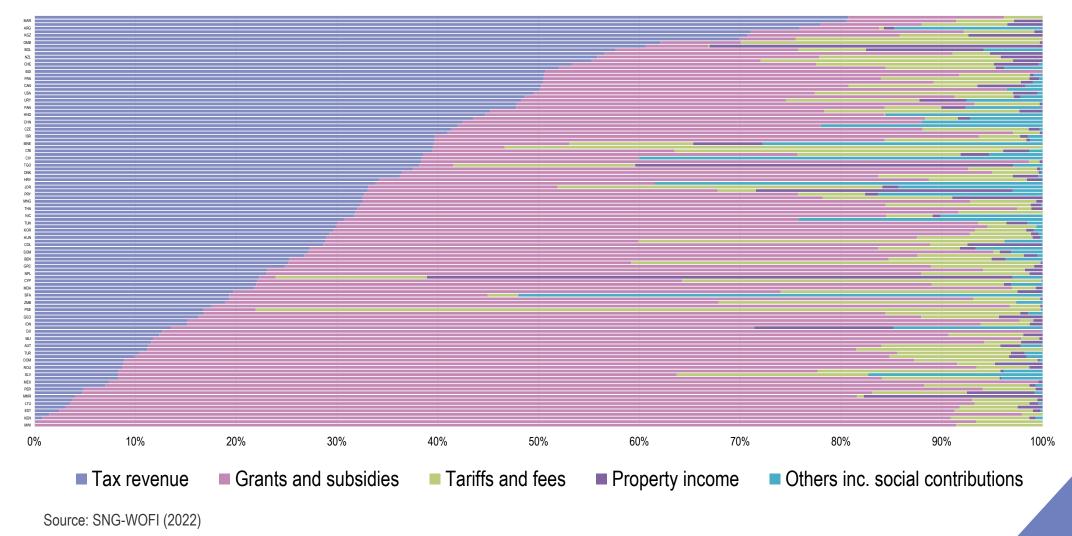
COVID-19 has put additional pressure on subnational finances





There is a need to build more resilient subnational finances

Breakdown of subnational revenue sources (% subnational government revenue, 2020), 116 countries



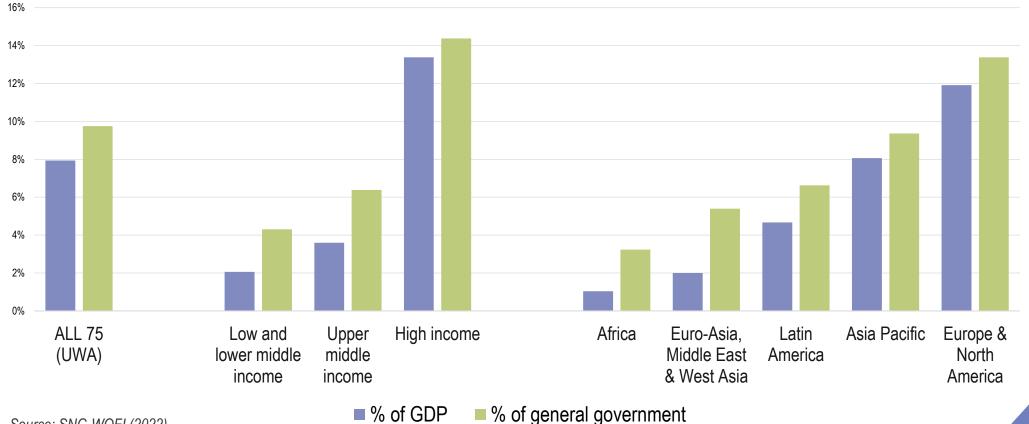


SNGs need greater fiscal flexibility to boost investment...

...alongside the right capacity, checks and balances

Subnational debt varies widely between countries, world regions and income groups

Subnational government debt by income country groups and world regions as % of GDP and general government debt (2020)



Source: SNG-WOFI (2022)

THANK YOU!



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