**FOR INFORMATION**

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October 13, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Updated Third-Party Indicators Digest**

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| Board Action: | Executive Directors' **information** |
| Publication: | Not proposed, as for internal use only. |
| Questions: | Ms. Marchettini, STA (ext. 38397)<br>Mr. Bornhorst, SPR (ext. 36120)<br>Mr. Rodriguez Delgado, STA (ext. 39689)<br>Ms. Hengge, SPR (ext. 36108) |

INTERNATIONAL MONETARY FUND

# UPDATED THIRD-PARTY INDICATORS DIGEST

October 12, 2021

Approved By

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Prepared by the Statistics Department, in consultation with the Strategy, Policy and Review Department.

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## Preface to the 2021 Update of the Third-Party Indicator Digest

The Third-Party Indicator (TPI) Digest is part of Fund's Third-Party Indicators Framework, together with the accompanying Guidance Note and the internal review process. The Digest is an internal document to inform staff's judgement on selected TPIs. This is the third update to the Digest since it was launched in 2017. As per the guidance note, the Digest is expected to be reviewed/updated annually through a Fund-wide consultation process led by SPR and STA. Updates of the Digest are demand-driven and reflect, among others, the use of indicators in emerging areas in the Fund's documents.

In this update, four new indicators have been added: Enterprise Surveys, the Global Financial Inclusion Database (Global Findex), the COVID-19 Community Mobility Reports, and the Gender Inequality Index (GII). Country/time coverage and methodology of other indicators have also been updated.

Following the World Bank's decision to pause the publication of the Doing Business Indicators in August 2020, interim guidance from SPR and STA was issued asking staff to cease use in country and policy documents. With the discontinuation of the indicators in September 2021, this guidance has been made permanent and the Doing Business Indicators have been retired from the TPI Digest. The Heritage Foundation's Index of Economic Freedom and the World Economic Forum's Global Competitiveness Index have also been retired from the Digest because they use Doing Business Indicators as input in several subindexes. Since the TPI Digest is not an ex-ante negative or positive list of acceptable indicators, staff is not precluded from using subindexes of the Index of Economic Freedom and the Global Competitiveness Index that are not sourced from the Doing Business Indicators, provided their usage is in line with the TPI Guidance Note.

**Disclaimer:**

**This Digest is intended to inform staff's judgment on the use of a third-party indicator based on information provided to the public by the compiler. Staff also had interactions with selected compilers, including the EBRD, EIU, IBP, Maplecroft, OECD, PRS Group, Transparency International, and the World Bank to understand better their methodology and data collection, processing, and dissemination practices. These interactions helped inform the assessments in the Digest.**

**Nevertheless, as the indicators are not produced by a member country's statistical agency, staff was not able in all cases to obtain full access to complete information on sources and methods. Thus, staff is not able to assess conclusively the validity, reliability, and impartiality of each indicator. Moreover, the data quality assessment framework (DQAF) is more focused on statistical processes than on passing judgment on the quality of the statistical output itself.**

**The assessment in the Digest is not intended to present an ex-ante positive or negative list of indicators acceptable for use in staff analysis and Fund products. Third-party indicators should not replace—but rather supplement—an open, candid, robust and well-documented discussion with the authorities. Their use should be preceded by knowledge of the compiler: foundational origins and mission, funding sources, governance arrangements, and direct or indirect connection to state entities. Checking for consistency among similar indicators would also be prudent. In particular, staff would be advised to use multiple sources and avoid reliance on a single source, to the extent possible. In the case of composite indices, staff would also be advised to present a detailed analysis of the components.**

**For further guidance and good practices on the use of third-party indicators in Fund reports, please refer to the 2018 Guidance Note.**

# List of Third-Party Indicators

**The set of indicators in the Digest is shown in the table below.** The Digest will remain a living database, but will not be an exhaustive compilation of all possible third-party indicators staff may wish to use in their analysis. Expansion of the Digest will most likely reflect increasing use of indicators in emerging macro-critical areas and will be demand-driven.[1]

| | Indicator | Compiler |
|---|---|---|
| **Political Risk Indicators** | | |
| 1 | International Country Risk Guide (ICRG) | Political Risk Services (PRS) Group |
| 2 | EIU Political Instability Index (PII) | Economist Intelligence Unit (EIU) |
| 3 | EIU Political Stability Risk Index (Operational Risk Model) | Economist Intelligence Unit (EIU) |
| 4 | EIU Political Risk Rating (Country Risk Model) | Economist Intelligence Unit (EIU) |
| **Governance Indicators** | | |
| 5 | Corruption Perception Index | Transparency International |
| 6 | Worldwide Governance Indicators | Daniel Kaufmann (Natural Resource Governance Institute and Brookings Institution) and Aart Kraay (World Bank) |
| 7 | Corruption Index | Verisk Maplecroft |
| **Business Climate Indicators** | | |
| 8 | Transition Indicators | European Bank for Reconstruction and Development (EBRD) |
| 9 | Enterprise Surveys | World Bank - Enterprise Analysis Unit |
| **Other** | | |
| 10 | Central Bank Independence and Transparency Indicators | Dincer and Eichengreen (2008, 2010, 2014) |
| 11 | Consensus Forecasts | Consensus Economics |
| 12 | Open Budget Index | International Budget Partnership |
| 13 | Sustainable Development Goals (SDG) Index | UN Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung |
| 14 | Human Development Index | United Nations Development Programme (UNDP) |
| 15 | Product Market Regulation (PMR) Indicators | OECD |
| 16 | Global Financial Inclusion Database (Global Findex) | World Bank |
| 17 | COVID-19 Community Mobility Reports | Google LLC |
| 18 | Gender Inequality Index (GII) | United Nations Development Programme (UNDP) |

[1] Input from staff and stakeholders will inform updates of the Digest when assessing the basis for additions.

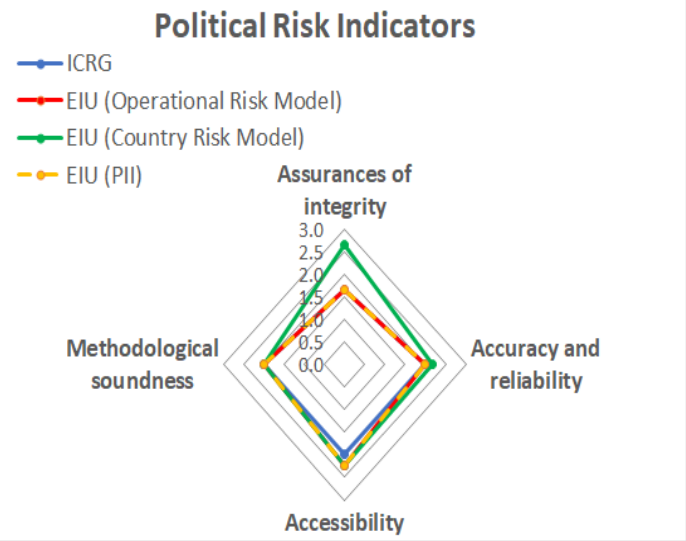
# Third-Party Indicators: Types of Source Data Used in Compilation

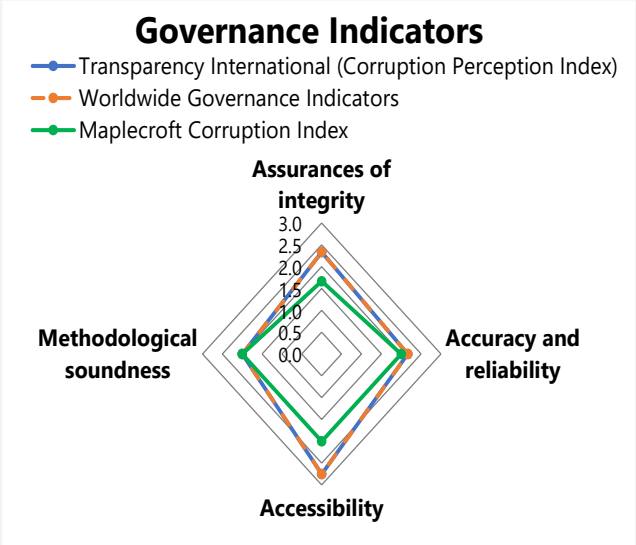
| Indicator | Official data | Expert judgement | Survey of hard data | Survey of perceptions | Other |
|---|---|---|---|---|---|
| **Political Risk Indicators** | | | | | |
| International Country Risk Guide (ICRG) | ✓ | ✓ | | | |
| EIU Political Instability Index (PII) | ✓ | ✓ | | | |
| EIU Political Stability Risk Index (Operational Risk Model) | ✓ | ✓ | | | |
| EIU Political Risk Rating (Country Risk Model) | ✓ | ✓ | | | |
| **Governance Indicators** | | | | | |
| Transparency International Corruption Perception Index | ✓ | ✓ | | ✓ (1, 2, 5) | |
| Worldwide Governance Indicators | ✓ | ✓ | | ✓ (1, 2, 5) | |
| Verisk Maplecroft Corruption Index | ✓ | ✓ | | | |
| **Business Climate Indicators** | | | | | |
| EBRD Transition Indicators | ✓ | ✓ | | | |
| Enterprise Surveys | | | ✓ (2, 3) /* | ✓ (2, 3) /* | |
| **Other** | | | | | |
| Central Bank Independence and Transparency Indicators | ✓ | | | | |
| Consensus Forecasts | | | | ✓ (1) | |
| Open Budget Index | ✓ | ✓ | | | |
| Sustainable Development Goals (SDG) Index | ✓ | ✓ | | | |
| Human Development Index | ✓ | | | | |
| Product Market Regulation Indicators | ✓ | ✓ | | | |
| Global Financial Inclusion Database (Global Findex) | | | ✓(5) | | |
| COVID-19 Community Mobility Reports | | | | | ✓ |
| Gender Inequality Index (GII) | ✓ | | | | |

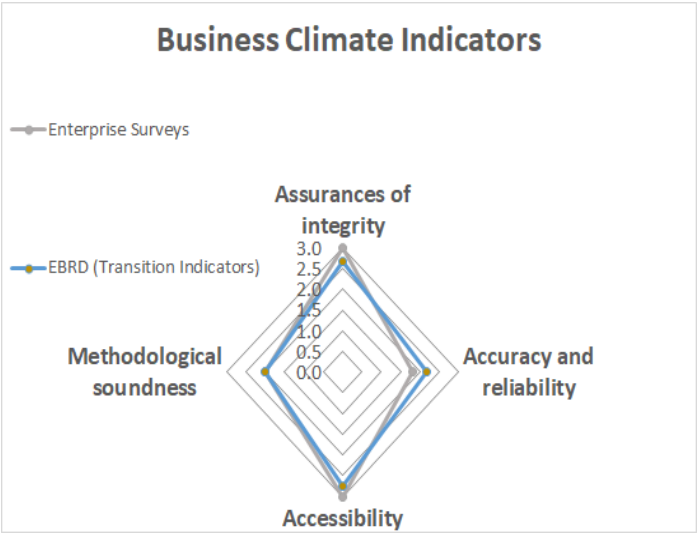
Note: 1=Experts/Analysts; 2=Business executives; 3=Firms; 4=Households; 5=Public at-large.

/* Over 90 percent of the questions objectively ascertain characteristics of a country's business environment. The remaining questions assess opinions on what the obstacles to firm growth and performance are.

# Selected Third-Party Indicators: Summary of the Adapted Data Quality Assessment Framework




Note: A rating away from center represents better data quality in one of the four dimensions assessed. The ratings are based on the following scoring system for each one of the 15 sub-components: "practice observed" (score of 3), "practice partially observed" (2), "practice not observed" (1), "not able to assess" (0), or "not applicable" (no score). The scores are averaged across each quality dimension to generate a rating, which ranges from 0 to 3. As noted in the disclaimer, the Board-endorsed data quality assessment framework (DQAF) is more focused on statistical processes, than on passing judgement on the quality of the statistical output itself.

# International Country Risk Guide (ICRG)

| | |
|---|---|
| **Compiler:** | Political Risk Services (PRS) Group. |
| **Stated purpose of indicator:** | Assess the various components of country risk that could be applied to a range of institutional settings. These may include "risk of expropriation, regulatory changes, terrorism or strike activity, or sovereign default." |
| **Funding source:** | The PRS Group is a private firm, which was founded in 1979 and acquired in 2010 by Gavea Emerging Markets Corporation, a country risk advisory firm based in Vancouver, Canada owned by Dr. Christopher McKee: https://www.christophermckee.net/biography. |
| **Current usage:** | The indicator is used by "global asset managers, international financial organizations, academia, multinational firms (usually in the manufacturing and natural resource extraction sector), NGOs, think tanks, and private equity groups." |
| **Where to find it:** | http://www.prsgroup.com.<br>http://epub.prsgroup.com.libproxy-imf.imf.org/customer/icrg/.. |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | 140 economies. |
| **Time coverage:** | Monthly since 1984. |
| **Contact details:** | The PRS Group, Inc.<br>5800 Heritage Landing Dr., Suite E<br>East Syracuse NY 13057-9378 USA<br>Tel. +1 (315) 431-0511 |
| **Methodology:** | The ICRG composite index comprises three subcategories of risk: political, financial, and economic. The political risk index is based on 100 points, financial risk on 50 points, and economic risk on 50 points. The total points from the three indices are divided by two to produce the composite risk score. The political risk index includes 12 variables measuring various dimensions of the political and social environment facing firms operating in a country. These are (with weights indicated in parenthesis): government stability (0.12); socioeconomic conditions (0.12); investment profile (0.12); internal conflict (0.12); external conflict (0.12); corruption (0.06); military in politics (0.06); religious tensions (0.06); law and order (0.06); ethnic tensions (0.06); democratic accountability (0.06); and bureaucracy quality (0.04). The assessments are based mainly on expert opinion, while official data are used for 3 variables. |
| **Format of results:** | The ICRG composite scores range from 0 to 100, with the higher number indicating lower risk. Separate scores for the three subcategories are also available. The PRS Group produces a separate set of country risk ratings, on a scale from A+ to D-, but these are based on a different model. |

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| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Bekaert and others (2014) on predictive power of political risk indicators.<br>• Bremmer (2015), managing political risk.<br>• Hoti and McAleer (2002), country risk ratings: an international comparison.<br>• Tetlock (2005) on predictive power of expert political judgement. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available to subscribers.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is restricted to subscribers. |
| **Overall assessment:** | The ICRG is one of the longest running data series for political risk for a global sample of countries (monthly since 1984). The ICRG methodology note available to subscribers describes the compilation methods and the weighting scheme of the variables included in the index. The political risk index includes 12 variables measuring various dimensions of the political and social environment facing firms operating in a country. The assessments are based mainly on expert opinion, while official data are used for three variables. Underlying political information and financial and economic data are also provided to subscribers, so that they may assess ICRG's ratings against their own assessments. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## International Country Risk Guide (ICRG):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | Terms and conditions made available to paying subscribers in broad terms. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing analyst and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | | x | | | A methodology note is available but restricted to paying subscribers. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | http://www.prsgroup.com/contact-us. |

# Political Instability Index (PII)

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|---|---|
| **Compiler:** | The Economist Intelligence Unit (EIU). |
| **Stated purpose of indicator:** | Assess the likelihood of political instability due to social or political unrest ("events or developments that pose a serious extra-parliamentary or extra-institutional threat to governments or the existing political order.") |
| **Funding source:** | The EIU, established in 1946, operates as an independent business within The Economist Group. The share capital of The Economist Newspaper Limited, The Economist Group's parent company, is divided into ordinary shares, "A" special shares, "B" special shares and trust shares. The company is private and none of the shares are listed. Its articles of association also state that no individual or company can own or control more than 50 percent of its total share capital, and that no single shareholder may exercise more than 20 percent of voting rights exercised at a general meeting of the company. More information on the ownership structure is available online: http://www.economistgroup.com/results_and_governance/ownership.html. |
| **Current usage:** | Published in 2009, as a one-off exercise, the political instability index is largely outdated; at present, there are no plans to update the indicator. |
| **Where to find it:** | http://www.economist.com/node/13349331. |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | 165 economies. |
| **Time coverage:** | 2007–09. |
| **Contact details:** | The Economist Intelligence Unit<br>20 Cabot Square, London, E14 4QW<br>United Kingdom<br>Tel: + 44 (0) 20 7576 8181<br>E-mail: london@eiu.com<br><br>The Economist Intelligence Unit<br>750 Third Avenue, 5th Floor,<br>New York, NY 10017<br>United States<br>Tel: + 1 (212) 698 9717<br>E-mail: americas@eiu.com |
| **Methodology:** | This indicator was compiled only during 2007–09. Based on the online methodology note, "the index draws on recent insights of the political science literature that seeks to identify and quantify the main social, economic and political factors and traits that are causally associated with, or that can predict, political instability. It draws on the work of the Political Instability Task Force (PITF) based at George Mason University (the PITF is now associated with the Center for Systemic Peace). The PITF is a research project to build a database on major domestic political conflicts leading to state failures ("the PITF has created a simple model that has a rate of success of over 80 percent in identifying, ex post, outbreaks of serious instability for a data set that stretches back to 1955"). The overall index is a simple average of two subcomponent indexes—an index of underlying vulnerability and an economic distress index. There |

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| | are 15 indicators in all—12 for the underlying and 3 for the economic distress index. The underlying vulnerability indicators are: inequality; state history; corruption; ethnic fragmentation; trust in institutions; status of minorities; history of political instability; proclivity to labor unrest; level of social provision; a country's neighborhood; regime type; and the interaction of regime type with political factionalism. |
| **Format of results:** | On a scale of 0 (no vulnerability) to 10 (highest vulnerability). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, and comparison with peers. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Published in 2009, as a one-off exercise, the political instability index is largely outdated but may still be a useful reference to study political instability during the global financial crisis. |
| **Research on the indicator** | • Bremmer (2015), managing political risk.<br>• Hoti and McAleer (2002), country risk ratings: an international comparison.<br>• Sotttilotta (2013), concept and measurement of political risk: from theory to practice.<br>• Tetlock (2005) on predictive power of expert political judgement. |
| **DQAF assessment:** | • **Assurances of integrity**. The indicator was a one-off exercise. At that time, the compiler made available general information on how the index was constructed in an online methodology note.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler appears to have made efforts to validate source data, although some data may have been outdated. The compiler did not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data is restricted to paying subscribers. |
| **Overall assessment:** | The PII was a one-off exercise, covering the period 2007–09. It is now largely outdated but may still be a useful reference to study political instability during the global financial crisis. At the time, it covered 165 countries. The PII draws on insights from the political science literature that seeks to identify and quantify the main social, economic, and political factors and traits that are causally associated with, or that can predict, political instability. The methodology note is available online. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Political Instability Index (PII):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology notes points to general terms and conditions on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing analyst and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator was prepared and published only once (and no longer updated). |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | http://www.eiu.com/Support/customer_support.aspx |

# Political Stability Risk Index (EIU Operational Risk Model)

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| **Compiler:** | The Economist Intelligence Unit (EIU). |
| **Stated purpose of indicator:** | Quantify the risks to business profitability and operations in the countries covered by the index (180 countries). |
| **Funding source:** | The EIU, established in 1946, operates as an independent business within The Economist Group. The share capital of The Economist Newspaper Limited, The Economist Group's parent company, is divided into ordinary shares, "A" special shares, "B" special shares and trust shares. The company is private and none of the shares are listed. Its articles of association also state that no individual or company can own or control more than 50 percent of its total share capital, and that no single shareholder may exercise more than 20 percent of voting rights exercised at a general meeting of the company. More information on the ownership structure is available online: http://www.economistgroup.com/results_and_governance/ownership.html |
| **Current usage:** | The index is used by businesses, investors, news agencies, research bodies, and government agencies. |
| **Where to find it:** | http://www.eiu.com/.<br><br>http://viewswire.eiu.com/index.asp?layout=RKAllCountryVW3. |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | 180 economies. |
| **Time coverage:** | Since 1995. |
| **Contact details:** | The Economist Intelligence Unit<br>20 Cabot Square, London, E14 4QW<br>United Kingdom<br>Tel: + 44 (0) 20 7576 8181<br>E-mail: london@eiu.com<br><br>The Economist Intelligence Unit<br>750 Third Avenue, 5th Floor,<br>New York, NY 10017<br>United States<br>Tel: + 1 (212) 698 9717<br>E-mail: americas@eiu.com |
| **Methodology:** | The political stability risk index (PSRI) is part of the EIU's Operational Risk Model that considers 10 separate risk categories, with political stability being one of them. The political stability risk index aims to quantify the risks to business profitability and operations in the countries covered by the index (180 countries). The assessment covers present conditions and expectations for the coming two years. The index covers the following five questions, the answers to which are on a scale of 0 (very little risk) to 4 (very high risk), with an equal weight for all: (i) what is the risk of significant social unrest during the next two years; (ii) how clear, established, and accepted are constitutional mechanisms for the orderly transfer of power from one government to another; (iii) how likely is it that an opposition party or group will come to power and cause a significant deterioration in business operating conditions; (iv) is excessive power concentrated, or likely to be concentrated, in the executive, so that executive |

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| | authority lacks accountability and possesses excessive discretion; (v) is there a risk that international disputes/tensions will negatively affect the economy and/or polity. It is updated four times a year. |
| **Format of results:** | On a scale of 0 (no risk) to 10 (highest risk). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Bremmer (2015), managing political risk.<br>• Hoti and McAleer (2002), country risk ratings: an international comparison.<br>• Sotttilotta (2013), concept and measurement of political risk: from theory to practice.<br>• Tetlock (2005) on predictive power of expert political judgement. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public in general terms.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data is restricted to paying subscribers. |
| **Overall assessment:** | The political stability risk index (PSRI) is part of the EIU's Operational Risk Model aims to assess "the degree to which political institutions are sufficiently stable to support the needs of businesses and investors." The index is updated four times a year for 180 countries. In addition, the EIU provides textual analysis and background information for 120 major economies. The compilation methods, weighting schemes, or calculation formulas for the Operational Risk Model, including the Political Stability Risk, are summarized in the Guide to Risk Briefing methodology. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Political Stability Risk Index (EIU Operational Risk Model):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology note points to general terms and conditions on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | x | | | | Under EU regulations for rating agencies, the EIU must provide advance notice of changes in sovereign ratings to the authorities. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing analyst and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | http://www.eiu.com/Support/customer_support.aspx |

# Political Risk Rating (EIU Country Risk Model)

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| **Compiler:** | The Economist Intelligence Unit (EIU). |
| **Stated purpose of indicator:** | Assess a range of political factors that could affect a country's "ability and/or commitment to service its debt obligations and/or cause turbulence in the foreign-exchange market." |
| **Funding source:** | The EIU, established in 1946, operates as an independent business within The Economist Group. The share capital of The Economist Newspaper Limited, The Economist Group's parent company, is divided into ordinary shares, "A" special shares, "B" special shares and trust shares. The company is private and none of the shares are listed. Its articles of association also state that no individual or company can own or control more than 50 percent of its total share capital, and that no single shareholder may exercise more than 20 percent of voting rights exercised at a general meeting of the company. More information on the ownership structure is available online: http://www.economistgroup.com/results_and_governance/ownership.html. |
| **Current usage:** | The index is used by financial institutions and companies to assess credit risk in 131 markets. |
| **Where to find it:** | http://country.eiu.com/AllCountries.aspx?view=all.<br>https://eiu-bvdep-com.libproxy-imf.imf.org/version-20171023/cgi/template.dll?product=105&user=ipaddress. |
| **Type of source data:** | Official/industry data and expert judgement. Official/industry data come from:<br>• Asian Development Bank.<br>• Inter-American Development Bank.<br>• International Energy Agency (IEA).<br>• Bank for International Settlements (BIS).<br>• International Monetary Fund (IMF).<br>• World Bank.<br>• Oil and Gas Journal.<br>• OECD.<br>• Petroleum Economist.<br>• United Nations (UN). |
| **Coverage:** | 131 economies. |
| **Time coverage:** | Since 1996. |
| **Contact details:** | The Economist Intelligence Unit<br>20 Cabot Square, London, E14 4QW<br>United Kingdom<br>Tel: + 44 (0) 20 7576 8181<br>E-mail: london@eiu.com |
| **Methodology:** | The political risk category of the Country Risk Model evaluates a range of political factors that could affect a country's ability or commitment to service its debt obligations or cause turbulence in the foreign exchange market. The methodology for the compilation of the various indicators comprising the Country Risk Model (CRS Handbook) is available online. The indicators considered are: external conflict; governability/social unrest; electoral cycle; orderly transfers; event risk; sovereignty risk; |

| | |
|---|---|
| | institutional effectiveness; corruption; corruption in the banking sector; and commitment to pay. The political rating is based on expert assessment of these indicators, informing the ratings for sovereign risk, currency risk and banking sector risk. This corresponds to the rating agency activities of the EIU, which are regulated by the EU. The Country Risk Model and the accompanying political risk rating are updated three times a year, as mandated by EU Regulations. Under EU regulations, rating agencies must provide advance notice of changes in sovereign ratings to the authorities, which may then react on data accuracy. According to the EIU, this has happened in a few rare occasions with no impact on the ratings. |
| **Format of results:** | Political risk is rated on a scale that runs from AAA (capacity and commitment to honor obligations not in question under any foreseeable circumstances) to D (in default). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using the indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Bremmer (2015), managing political risk.<br>• Hoti and McAleer (2002), country risk ratings: an international comparison.<br>• Sotttilotta (2013), concept and measurement of political risk: from theory to practice.<br>• Tetlock (2005) on predictive power of expert political judgement. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated is specified to comply with EU regulations for rating agencies.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. Under EU regulations for rating agencies, the EIU must provide advance notice of changes in its sovereign ratings (including political risk ratings) to the authorities, which may then react on data accuracy.<br>• **Accessibility.** Access to the data is restricted to paying subscribers. |
| **Overall assessment:** | The EIU's political risk ratings of the Country Risk Model cover 131 countries and are updated three times a year. Political risk is rated on a scale that runs from AAA to D (in default). The rating is based on expert assessment of a range of political risk indicators, including electoral cycle, event risk, external conflict. For each country, there is usually a detailed description of the reasons behind an upgrade or a downgrade each time the EIU changes its rating. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Political Risk Rating (EIU Country Risk Model):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Under EU regulations for rating agencies, the EIU must provide detailed information on terms guiding the data compilation. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | x | | | | Under EU regulations for rating agencies, the EIU must provide advance notice of changes in sovereign ratings to the authorities. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | Compiler makes efforts to verify the professionalism of the contributing analyst and the soundness of their data collection methods, but the sample of experts may not be representative. |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Official data sources are generally comprehensive. |
| b. official publications by national statistical agencies or international organizations | | x | | | | The EIU also uses publicly available data from national and international sources. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | x | | | | Under EU regulations for rating agencies, the EIU must provide advance notice of changes in sovereign ratings to the authorities, which may then react on data accuracy. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | http://www.eiu.com/Support/customer_support.aspx |

# Corruption Perception Index (CPI)

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| **Compiler:** | Transparency International. |
| **Stated purpose of indicator:** | Provide perceptions of businesspeople and country experts of the level of corruption in the public sector within the past two years. |
| **Funding source:** | Transparency International receives funding from a range of donors, including government agencies, multilateral institutions, foundations, the private sector, and individuals. It is Transparency International's policy to publicly disclose all donations over €1,000, which can be found in their Audited Financial Reports. There is a separate website listing larger donors that provided contributions exceeding €10,000. |
| **Current usage:** | The index is used by a wide range of agencies as a measure of corruption. |
| **Where to find it:** | www.transparency.org/cpi. |
| **Type of source data:** | In addition to official data and expert judgement, opinion surveys of experts, business executives, and public-at-large, based on 13 data sources compiled by 12 institutions. The 2020 report included the following sources:<br>• African Development Bank Country Policy and Institutional Assessment 2018.<br>• Bertelsmann Stiftung Sustainable Governance Indicators 2020.<br>• Bertelsmann Stiftung Transformation Index 2020.<br>• Economist Intelligence Unit Country Risk Service 2020.<br>• Freedom House Nations in Transit 2020.<br>• Global Insight Country Risk Ratings 2019.<br>• IMD - World Competitiveness Yearbook Executive Opinion Survey 2020.<br>• Political and Economic Risk Consultancy - Asian Intelligence 2020.<br>• The PRS Group International Country Risk Guide 2020.<br>• World Bank Country Policy and Institutional Assessment 2019.<br>• World Economic Forum Executive Opinion Survey (EOS) 2019.<br>• World Justice Project - Rule of Law Index Expert Survey 2020.<br>• Varieties of Democracy (V-DEM v.10) 2020. |
| **Coverage:** | 180 economies. |
| **Time coverage:** | Annual since 1995. |
| **Contact details:** | Transparency International Secretariat<br>Alt-Moabit 96, 10559 Berlin, Germany<br>Telephone: +49 30 3438 200<br>Email: ti@transparency.org |
| **Methodology:** | As described in the methodology note, the CPI is a composite indicator, drawing on corruption-related data collected by 12 institutions. It draws on surveys cover that more than 100,000 citizen and business respondents in over 100 countries. For an economy to be included in the CPI, it must be included in a minimum of three of the CPI's data sources. The following steps are followed to calculate the CPI: |

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| | 1. **Select data sources**. Each data source that is used to construct the CPI must fulfil certain criteria to qualify as a valid source.<br>2. **Standardize data sources** to a scale of 0—100 where a 0 equals the highest level of perceived corruption and 100 equals the lowest level of perceived corruption.<br>3. **Calculate the average**. A country's CPI score is calculated as the average of all standardized scores available for that country.<br>4. **Report a measure of uncertainty**. The CPI is accompanied by a standard error and confidence interval associated with the score, which capture the variation in scores of the data sources available for that country/territory.<br>Each source is evaluated against the TI's criteria for reliable data collection and methodology from a credible institution. From TI's website: "It is necessary that we trust the validity of the data we are using. As such, each source should originate from a professional institution that clearly documents its methods for data collection. These methods should be methodologically sound, for example, where an 'expert opinion' is being provided, we seek assurance on the qualifications of the expert or where a business survey is being conducted, that the survey sample is representative." Due to an update of the methodology in 2012, CPI scores before and after 2012 are not strictly comparable. |
| **Format of results:** | Scale of 0 (highest level of perceived corruption) to 100 (lowest level). |
| **How to use it:** | • Avoid using country rankings on measures of corruption.<br>• Report the degree of uncertainty around point estimates using uncertainty bands provided by the compiler.<br>• Consider changes in data sources and methodology over time. For trend analysis, CPI scores before and after 2012 are not strictly comparable, given the change in methodology in 2012.<br>• Consider coverage of the indicator. The CPI does not tell the full story of corruption in a country, only the level of corruption in the public sector in the past two years. |
| **Research on the indicator** | • Rose-Ackerman (1999), corruption and government: causes, consequences, and reform.<br>• Rose-Ackerman (2004), the challenge of poor governance and corruption.<br>• UNDP (2015), users' guide to measuring corruption and anti-corruption.<br>• Knack (2007), measuring corruption: a critique of indicators in Eastern Europe and Central Asia.<br>• Ruhl (2011), political corruption in central America: assessment and explanation. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public, along with external reviews of the data compilation process.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler reports the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and metadata are publicly accessible. |

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| **Overall assessment:** | The CPI is a composite index, a combination of opinion surveys and expert assessments of corruption, collected by 12 institutions. The indicator has wide country coverage and has been in existence for a long time. The CPI draws upon several available sources which capture perceptions of corruption. Each source is evaluated against several criteria. Contact is made with each institution providing data to verify the methodology used to generate scores. Users should be aware of how to use and qualify perception-based indicators, including this one. Moreover, for trend analysis, scores before and after 2012 are not strictly comparable, given change in methodology in 2012. Users should avoid using country rankings for measures of corruption. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Corruption Perception Index (CPI):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Detailed information made available to public, along with external reviews of the data compilation process. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | x | | | | Compiler reports degree of uncertainty around point estimates based on variation in source data. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | The indicator is disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | https://www.transparency.org/whoweare/contact/ |

# Worldwide Governance Indicators

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| **Compiler:** | Daniel Kaufmann (Natural Resource Governance Institute and Brookings Institution) and Aart Kraay (World Bank). |
| **Stated purpose of indicator:** | Report on six broad dimensions of governance for over 200 countries and territories. |
| **Funding source:** | The WGI (World Governance Indicators) are produced by Daniel Kaufmann—affiliated with the Brookings Institution and Natural Resource Governance Institute (NRGI)—and Aart Kraay, affiliated with the World Bank (Development Research Group). The compilers acknowledge financial support from the Knowledge for Change Program of the World Bank. However, as noted by the compilers, the WGI do not reflect the official views of the Natural Resource Governance Institute, the Brookings Institution, or the World Bank. |
| **Current usage:** | The index is used by a wide range of agencies as a measure of corruption. However, according to the World Bank, "the WGI are not used by the World Bank Group to allocate resources." |
| **Where to find it:** | http://www.govindicators.org.<br>Kauffman, Kraay, and Mastruzzi (2011):<br>http://journals.cambridge.org/abstract_S1876404511200046. |
| **Type of source data:** | In addition to official data and expert judgement, opinion surveys of experts, business executives, and public-at-large, compiled by more than 30 institutions including:<br>• **Surveys of households and firms,** including the Afrobarometer surveys, Gallup World Poll, and Global Competitiveness Report* survey,<br>• **Commercial business information providers,** including the Economist Intelligence Unit*, IHS Markit, Political Risk Services*,<br>• **Non-governmental organizations,** including Global Integrity, Freedom House, Reporters Without Borders, and<br>• **Public sector organizations,** including the CPIA assessments of World Bank and regional development banks, the EBRD Transition Report*, French Ministry of Finance Institutional Profiles Database. |
| **Coverage:** | Over 200 economies. |
| **Time coverage:** | Every two years between 1996 and 2002. Annual since 2002. |
| **Contact details:** | The WGI are produced by: **Daniel Kaufmann** (dkaufmann@brookings.edu), Natural Resource Governance Institute (NRGI) and Brookings Institution and **Aart Kraay** (akraay@worldbank.org), World Bank Development Research Group. |
| **Methodology:** | As described in the online methodology note and published paper, WGIs summarize views of many enterprises, citizens and expert survey respondents on the quality of governance in a country. The data are gathered from survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. There are six WGIs, but the Control of Corruption indicator (CCI) gets the most attention. The other WGIs are: Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, and Rule of Law.<br>The (CCI) is a perceptions-based measure that is based on over 30 individual measures of corruption produced by a variety of survey institutes, think tanks, NGOs, international organizations, and private sector firms drawing on a range of survey sources. The CCI uses all the |

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| | variables used by Transparency International's Corruption Perceptions Index, plus others. These include surveys of firms and individuals (e.g., Gallup World Poll), expert assessments collected by civil society groups (e.g., Freedom House, Bertelsmann Foundation, World Justice Project), the private sector (e.g., Economist Intelligence Unit, Global Insight), and government and international organizations (e.g., World Bank Country Policy and Institutional Assessments.) The weighting scheme gives higher weight to data sources estimated to have a higher signal-to-noise ratio. WGI reports margins of error to encourage caution in making comparisons across countries and across time. Caution is also needed as the quality of underlying data can vary across countries and data sources. Historical data are often revised to correct errors, include changes in data sources, and update lagged annual data. Because of these revisions, each year's WGI dataset supersedes previous versions. |
| **Format of results:** | On a scale from -2.5 to 2.5, with higher values representing more favorable governance. |
| **How to use it:** | • Avoid using country rankings on measures of corruption.<br>• Report the degree of uncertainty around point estimates using the confidence intervals provided by the compiler.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Rose-Ackerman (1999), corruption and government: causes, consequences, and reform.<br>• Rose-Ackerman (2004), the challenge of poor governance and corruption.<br>• UNDP (2015), users' guide to measuring corruption and anti-corruption.<br>• Knack (2007), measuring corruption: a critique of indicators in Eastern Europe and Central Asia.<br>• Ruhl (2011), political corruption in central America: assessment and explanation. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public, along with external reviews of the data compilation process.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler reports the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and metadata are publicly accessible. |
| **Overall assessment:** | Annual index of six dimensions of governance, including control of corruption index (CCI), for over 200 countries and territories over the period 1996-2019. Compiled and published by staff from the World Bank, Brookings Institution, and Natural Resource Governance Institute, aggregating more than 30 different surveys of enterprise, citizen, and expert perceptions. Margins of error are reported, and source data are made available to users. At the same time, users should be aware of how to use and qualify perception-based indicators, including this one. Users should avoid using country rankings on measures of corruption. Users should be sure to update historical data as each new release supersedes the prior year's dataset entirely. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Worldwide Governance Indicators:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Detailed information made available to public, along with external reviews of the data compilation process. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | x | | | | Compiler reports degree of uncertainty around point estimates based on variation in source data. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | The indicator is disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | dkaufmann@brookings.edu<br>akraay@worldbank.org |

# Corruption Index (CI)

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|---|---|
| **Compiler:** | Verisk Maplecroft. |
| **Stated purpose of indicator:** | Assess corruption risk by corruption prevalence and strength of anti-corruption legislation. |
| **Funding source:** | Verisk Maplecroft is a publicly listed company (Nasdaq: VRSK). |
| **Current usage:** | The index is used by a wide range of agencies as a measure of corruption. |
| **Where to find it:** | https://maplecroft.com/.<br>https://maplecroft-com.libproxy-imf.imf.org/ (sign in using IMF email address as username). |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | 198 economies. |
| **Time coverage:** | Annual since 2009. A consistent dataset exists since 2016. |
| **Contact details:** | Verisk Maplecroft Business Development Team<br>Verisk Maplecroft<br>1 Henry Street, Bath,<br>BA1 1JS, United Kingdom<br>Tel: +44 (0) 1225 420000<br>Email: info@maplecroft.com |
| **Methodology:** | As described in the methodology note available to subscribers, the CI assesses corruption risk by modelling the strength of anti-corruption legislation, the efficacy and independence of anti-corruption bodies and the prevalence of corruption from a business perspective, including distribution, petty and grand corruption. The CI is a qualitative survey index based on analysts' assessment of 10 key indicators. These relate to the legislative framework (structure); anti-corruption implementation bodies and the practical applications of the law (process); and the frequency with which various kinds of corruption occur (outcomes). Due to an update of the methodology in 2016, CI scores before and after 2016 are not strictly comparable. |
| **Format of results:** | On a scale from 0 to 10. |
| **How to use it:** | • Avoid using country rankings on measures of corruption.<br>• Acknowledge the uncertainty around point estimates, given uncertainty bands around point estimates are not provided by the compiler.<br>• Consider changes in data sources and methodology over time. For trend, analysis scores before and after 2016 are not strictly comparable, given change in methodology in 2016.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Rose-Ackerman (1999), corruption and government: causes, consequences, and reform. |

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| | • Rose-Ackerman (2004), the challenge of poor governance and corruption.<br>• UNDP (2015), users' guide to measuring corruption and anti-corruption.<br>• Knack (2007), measuring corruption: a critique of indicators in Eastern Europe and Central Asia.<br>• Ruhl (2011), political corruption in central America: assessment and explanation. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available only to subscribers.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is restricted to subscribers. |
| **Overall assessment:** | The CI assesses risk by modelling the strength of anti-corruption legislation, the efficacy and independence of anti-corruption bodies and the prevalence of corruption from a business perspective, including distribution, petty and grand corruption. Analysts assess 10 key indicators relating to the legislative framework (structure); anti-corruption implementation bodies and the practical applications of the law (process); and the frequency with which various kinds of corruption occur (outcomes). The CI was established in 2009 and currently covers 198 economies. Maplecroft points to the following limitations to the index: (i) the index is not an exhaustive model (for instance, the index does not include any indicators on the extent to which corruption affects certain sectors); (ii) strong legal frameworks do not guarantee appropriate implementation of governance standards; (iii) there is limited information about specific industries' exposure to corruption; (iv) secondary corruption (stashing corrupt funds in a country with strong anti-corruption frameworks) is not captured; and (v) there are country cases where available information is limited. Moreover, for trend, analysis scores before and after 2016 are not strictly comparable, given change in methodology in 2016. Users should avoid using country rankings on measures of corruption. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Corruption Index:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | Terms and conditions made available to paying subscribers in broad terms. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | | x | | | A methodology note is available but restricted to paying subscribers. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | https://maplecroft.com/about/contact/ |

# European Bank for Reconstruction and Development (EBRD) Transition Indicators

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| **Compiler:** | European Bank for Reconstruction and Development (EBRD). |
| **Stated purpose of indicator:** | To measure transition towards open market-oriented economies. |
| **Funding source:** | The shareholders of the EBRD comprise 65 countries, the European Union, and the European Investment Bank. |
| **Current usage:** | The EBRD's new broader transition concept, which was introduced in 2016, puts emphasis on "desirable qualities of market economies" (as opposed to the previously applied transition checklist). |
| **Where to find it:** | http://www.ebrd.com/home.<br>EBRD TR 2020 (tr-ebrd.com). |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | 37 economies in the EBRD region (for the 2020-2021 report). |
| **Time coverage:** | Annual since 1989, however the indicator series from 1989 to 2014 has been discontinued. New methodology introduced for 2017 onwards. |
| **Contact details:** | Office of the Chief Economist<br>EBRD<br>One Exchange Square<br>London EC2A 2JN<br>United Kingdom<br>Tel: +44 20 7338 6037<br>Email: economics@ebrd.com |
| **Methodology:** | Following the pre-announced revision of the transition concept in 2016, the EBRD has developed a new approach to tracking progress in transition. The new methodology assesses developments along six qualities of a sustainable market economy: competitive, well-governed, green, inclusive, resilient, and integrated. Progress in each of these qualities is captured by the set of composite indices (referred to as "assessments of transition qualities" or "ATQs"), which aims to combine information from many indicators and assessments in a consistent manner. The underlying indicators within each ATQ are constructed using a wide range of sources, including national and industry statistics, data from other international organizations and affiliated databases (World Bank, IMF, UN); surveys (The Business Environment and Enterprise Performance Survey (BEEPS); Life in Transition Survey (LiTS) and assessments prepared internally by EBRD experts). The resulting ATQ scores measure each economy's performance against that of comparator advanced economies as well as other economies in the EBRD regions against a frontier which is either set by the best performance in this group of economies or by an unobservable theoretical value. Raw data for each indicator are normalized to the same scale using the min-max normalization method and the resulting scores range from 1 to 10, where 10 represents the frontier for each quality. Normalized indicators are aggregated to a single composite index using weights determined by expert judgement using a simple weighted averaging method. The transition indicators ultimately reflect |

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| | the judgement of EBRD's Office of the Chief Economist and the Economics, Policy and Governance department on the transition progress. |
| **Format of results:** | The resulting ATQ scores measure each economy's performance against that of comparator advanced economies as well as other economies in the EBRD regions. Scores range from 1 to 10, where 10 represents the frontier for each of the six qualities of a sustainable market economy (as described above). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider changes in methodology over time. For trend analysis, scores before and after 2017 are not strictly comparable, given the change in methodology in 2017. |
| **Research on the indicator** | • Di Tommaso et al (2007), home grown or imported initial conditions, external anchors and the determinants of institutional reform in the transition economies. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public in general terms.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. –The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and metadata are publicly accessible. |
| **Overall assessment:** | The Transition Indicator scores reflect the views of EBRD country economists and the judgment of the EBRD's Office of the Chief Economist about country-specific progress in transition. They are used to measure progress against the standards of industrialized market economies in 37 countries, while "recognizing that there is neither a pure market economy nor a unique end-point for transition." The methodology of the various indicators is broadly accessible and includes information about the source data and the country used as benchmark/frontier. The EBRD notes that "the structural change indicators cannot give a complete account or precise measurement of progress in transition, given the inherent difficulties of measuring structural and institutional change," while "the transition developments snapshots try to compensate for these shortcomings by highlighting qualitative or institutional developments in several key economic areas." |
| Disclaimer: Please see disclaimer on the first page of the Digest | |

## European Bank for Reconstruction and Development (EBRD) Transition Indicators:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | Transition Reports point to general terms and conditions on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | x | | | | The draft Transition Report is circulated to the EBRD Board for comments usually around 5-6 weeks before publication. Board members may consult with their authorities in their respective capitals before sending any comments or factual corrections, if any. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | The indicator is disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | http://www.ebrd.com/contacts.html |

# Central Bank Transparency and Independence Indices (CBTI and CBII)

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| **Compiler:** | Nazire Nergiz Dincer (TED University, Ankara) and Barry Eichengreen (University of California, Berkeley). |
| **Stated purpose of indicator:** | To trace trends in the transparency and independence of more than 100 central banks since 1998. |
| **Funding source:** | TED University, Turkey and University of California, Berkeley. In Dincer and Eichengreen (2014), the first author also acknowledges financial support from TUBITAK (The Scientific and Technological Research Council of Turkey). |
| **Current usage:** | Academics, central bankers, international organizations. |
| **Where to find it:** | Dincer and Eichengreen (2008): http://www.e-elgar.com/shop/central-banks-as-economic-institutions.<br>Dincer and Eichengreen (2010): http://www7.tau.ac.il/ojs/index.php/til/article/view/734.<br>Dincer and Eichengreen (2014): http://www.ijcb.org/journal/ijcb14q1a6.htm. |
| **Type of source data:** | Official data obtained primarily from central banks. |
| **Coverage:** | CBTI covers 120 central banks, and CBII covers 89 central banks. |
| **Time coverage:** | 1998–2014 on an annual basis. |
| **Contact details:** | Nazire Nergiz Dincer (nergiz.dincer@tedu.edu.tr), Professor of Economics at TED University, Turkey, and Barry Eichengreen (eichengr@econ.berkeley.edu), Professor of Economics at University of California, Berkeley. |
| **Methodology:** | As described in the published papers, the CBTI measures transparency of central banks through a set of 15 sub-indices to capture five dimensions: political transparency; economic transparency; procedural transparency; policy transparency; and operational transparency. CBII measures independence of central banks and builds upon four alternative sub-indices: independence of the (i) chief executive officer; (ii) policy formulation (iii) objective or mandate, and (iv) the stringency of limitations on lending to the government. The sub-indices are computed from 16 criteria and eight aggregated variables, while the other two are computed from 24 criteria and nine aggregated variables. |
| **Format of results:** | The CBTI is on a scale from 0 (minimum transparency) to 15 (maximum transparency); the CBII is on a scale from 0 (lowest) to 1 (highest levels). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |

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| **Research on the indicator** | • Crowe and Meade (2008), central bank independence and transparency: evolution and effectiveness. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is compiled is explained in broad terms in peer-reviewed publications.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and metadata are publicly accessible. |
| **Overall assessment:** | The CBTI and CBII aim to trace trends in the development of central bank transparency and independence over time, across countries, and across regions. CBTI covers 120 central banks, and CBII covers 89 central banks on an annual basis. The indicators can be used to analyze the determinants and consequences of monetary policy transparency, including the impact of transparency on inflation persistence, inflation variability, and output variability. The 2014 edition of the indicators was published in the *International Journal of Central Banking*. A weakness of the indicators is that they are not updated or disseminated on a regular basis. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Central Bank Transparency and Independence Indices (CBTI and CBII):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | Data compilation process explained in broad terms in peer-reviewed publications. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | x | | | | | Surveys are not used in compilation. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | The indicator is disseminated on an irregular basis. The authors make the data available upon request. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | | x | | | | The indicator is disseminated on an irregular basis. The authors make the data available upon request. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | The underlying published papers provide access to the methodology. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | nergiz.dincer@tedu.edu.tr and eichengr@econ.berkeley.edu |

# Consensus Forecasts

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| **Compiler:** | Consensus Economics. |
| **Stated purpose of indicator:** | Provide monthly compilations of country economic forecasts for 85 countries. |
| **Funding source:** | Consensus Economics is a management-owned firm, with senior management owning the company for some time. |
| **Current usage:** | According to Consensus Economics: Consensus Forecasts are seen as "the macroeconomic forecast benchmark by investment and planning managers, as well as government and public sector institutions, who find our data effective, timely and accurate." |
| **Where to find it:** | http://www.consensuseconomics.com/index.htm.<br>http://library.worldbankimflib.org/Restricted/Journals/Ejournals/Confor/confor.aspx. |
| **Type of source data:** | Survey of market analysts' views and forecasts. |
| **Coverage:** | Over 100 countries. |
| **Time coverage:** | Monthly since 1989. |
| **Contact details:** | http://www.consensuseconomics.com/contact_us.htm. |
| **Methodology:** | Consensus Forecasts are based on surveys of more than 700 economists each month to obtain their forecasts and views covering 100 countries. The network of economists draws from local consultancies and banking professionals that are dedicated to particular countries and regions. The surveys cover forecasts for principal macroeconomic indicators, including GDP growth, inflation, interest rates and exchange rates, as well as energy and metal prices. Consensus forecasts are calculated as an average of responses. |
| **Format of results:** | Each Consensus Forecasts shows the average (mean), as well as individual forecaster predictions. |
| **How to use it:** | • Report the degree of uncertainty around point estimates using uncertainty bands provided by the compiler. |
| **Research on the indicator** | • Various research available online on forecasting accuracy of Consensus Forecasts. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available only to subscribers.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The variables used in the compilation are well-documented but may not always be cross-comparable.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler reports the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is restricted to paying subscribers. |

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| **Overall assessment:** | The Consensus Forecasts are based on a monthly survey of 700 analysts, covering 100 countries. Consensus Economics notes that incoming survey responses are processed and checked for accuracy, completeness, and integrity. It is not possible to assess the extent to which the data used by the forecasters may differ in sources, coverage, and definitions. However, for most economies, the forecasts of each analyst are made available along with the consensus forecasts. Indeed, the advantage of Consensus Forecasts over many other third-party indicators is that their accuracy can be examined ex-post by users. Consensus Economics refers to academic and central bank research that concludes that group forecasts have a better track record than most of the individual forecasts that make up the group, because few, if any, individuals manage to consistently outperform the average: http://www.consensuseconomics.com/how_accurate.htm. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Consensus Forecasts:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | Terms and conditions made available to paying subscribers in broad terms. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided by analyst. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented but may not always be cross-comparable. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing analyst and the soundness of their response methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | x | | | | | Official data sources are not used. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | x | | | | Source data capture the relevant concept (i.e., key macroeconomic variables). |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | x | | | | Surveys are based on latest forecasts of market analysts. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | x | | | | Compiler reports degree of uncertainty around point estimates based on variation in source data. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to possible differences in definitions of macro-variables, cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | x | | Available to paying subscribers only. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | | x | | | A methodology note is available, but restricted to paying subscribers. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | editors@consensuseconomics.com |

# Open Budget Index (OBI)

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| **Compiler:** | International Budget Partnership (IBP). |
| **Stated purpose of indicator:** | To promote increased public access to government budget information, strengthen public financial accountability, and open opportunities for citizen engagement in the budget process. |
| **Funding source:** | The IBP is a US-based non-government organization established in 1997. It receives donor support from various institutional foundations and development agencies, including for the Open Budget Survey. The list of donors is published online on an annual basis. |
| **Current usage:** | The indicator is used by international organizations, governments, civil society organizations, and researchers. |
| **Where to find it:** | https://www.internationalbudget.org/open-budget-survey/. |
| **Type of source data:** | Official data and expert judgement. |
| **Coverage:** | Up to 117 countries. |
| **Time coverage:** | Typically, biannual since 2006 (2006, 2008, 2010, 2012, 2015, 2017, 2019). |
| **Contact details:** | 750 First Street NE, Suite 700<br>Washington, D.C. 20002<br>Tel/Fax: +1 202 683 7171<br>info@internationalbudget.org |
| **Methodology:** | The Open Budget Index (OBI) is calculated from a subset of Open Budget Survey (OBS) questions that measure budget transparency based on the level and frequency of the budget information that governments make publicly available on the relevant government website.<br><br>The OBS assesses the three components of a budget accountability system: (i) public availability of budget information; (ii) opportunities for the public to participate in the budget process; and (iii) the role and effectiveness of formal oversight institutions, including the legislature and the national audit office (referred as the "supreme audit institution"). The majority of the survey questions assess what occurs in practice, rather than what is required by law.<br><br>Regarding the first component, the survey assesses the public availability of budget information by considering the timely release and contents of eight key budget documents that all countries should issue at different points in the budget process. Many of these criteria are drawn from those developed by multilateral organizations, such as the IMF's *Code of Good Practices on Fiscal Transparency*, the *Public Expenditure and Finance Accountability initiative*, the OECD's *Best Practices for Fiscal Transparency*, and the International Organization of Supreme Audit Institutions' Lima Declaration of Guidelines on Auditing Precepts.<br><br>Regarding the second component, the criteria are based on the Global Initiative for Fiscal Transparency (GIFT)'s Principles for Public Participation in Fiscal Policy.<br><br>Regarding the third component, the GIFT principles on public participation in public finance, released in 2016, also became the foundation for the revisions made to the participation section of the OBS 2017, which assesses formal opportunities |

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| | to participate directly in the process by engaging with executive branch officials, legislators, and auditors.<br><br>The results for each country are based on a questionnaire, comprising 145 questions scored by researchers typically based in the surveyed country. Most of the survey questions require researchers to choose from five responses. Responses "a" or "b" describe best or good practice; with "a" indicating that the standard is fully met or exceeded, and "b" indicating the basic elements of the standard have been met or largely met; "c" corresponds to minimal efforts to attain the relevant standard, while "d" indicates that the standard is not met at all. An "e" response indicates that the standard is not applicable.<br><br>The questionnaire goes through a comprehensive review process. The questionnaire for each survey country is completed by an independent, civil society researcher and reviewed by both an IBP staff member as well as an anonymous, independent peer reviewer with substantive working knowledge of the budget processes in the given country. Under current policy, OBI provides advance notice to country authorities for review and comment on the draft questionnaires. During the OBS 2019, 94 out of 117 governments participated in the review process.<br><br>Once completed, the questionnaire responses are quantified: an "a" receives a numeric score of 100, a "b" receives 67, "c" receives 33, and "d" receives 0. Questions receiving an "e" are not included in the country's aggregated scores. A transparency score from 0 to 100 is assigned based on the simple average of the numerical value of each of these responses. |
| **Format of results:** | Scale of 0 (lowest level of perceived budget transparency) to 100 (highest level). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that the Distance to Frontier approach may better reflect change in performance over time relative to frontier. |
| **Research on the indicator** | • Tax and Transfer Policy Institute (2018), Budget transparency: The Open Budget Survey 2017.<br>• Khagram et al (2013), Open Budgets: The Political Economy of Transparency, Participation, and Accountability. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is available. |
| **Overall assessment:** | The OBI is a comparative measure of central government budget transparency. The index is used to assess whether the central government makes eight key |

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| | budget documents available to the public in a timely manner and whether the data contained in these documents are comprehensive and useful.<br><br>The OBI is based on a survey that evaluates whether governments give the public access to budget information and opportunities to participate in the budget process at the national level. Civil society partners and independent researchers in over 100 countries are asked to participate in the survey.<br><br>While the OBI provides a summary assessment of the budget system, it has some limitations: (i) while the index captures aspects of transparency related to transfers to public corporations and the budget is reported on a consolidated basis, effects of transfers to off-budget entities on transparency are not completely captured; (ii) the questionnaire assesses budget execution through cash accounting, and whether accrual accounting information is provided is not assessed; and (iii) only the central/national government is covered. Moreover, the index assesses only the availability and comprehensiveness of budget information and does not assess the credibility of the information. The IBP has identified this as an issue and is conducting research to identify problems in budget credibility across countries. In addition, the index assesses only the formal and direct participation opportunities in the budget process, and ignores other informal or indirect avenues, which may also provide opportunities for the public to participate in the budget process. Finally, although the majority of the survey questions underlying the index assess what occurs in practice (de facto), rather than what is required by law (de jure), some may not reflect current practice. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Open Budget Index:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology note points to general terms and conditions on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | x | | | | Under current policy, OBI provides advance notice to country authorities for review and comment on the draft questionnaires. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributors and the soundness of their data collection methods, but the sample of experts may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | The indicator is disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | info@internationalbudget.org |

# Sustainable Development Goals (SDG) Index

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| **Compiler:** | The UN Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung, an independent foundation based in Germany. |
| **Stated purpose of indicator:** | To establish SDGs as a useful, operational tool for policy action; support national debates on prioritization and formulation of SDG implementation strategies; complement efforts to develop a robust SDG monitoring framework by the UN Statistical Commission; and identify SDG data gaps, need for investments in statistical capacity and research, and new forms of data. |
| **Funding source:** | Multiple institutional donors, partners, and organizations. |
| **Current usage:** | Governments, international institutions (World Bank, OECD, WHO, ILO), civil society organizations, and research institutions. |
| **Where to find it:** | https://www.sdgindex.org/. |
| **Type of source data:** | Official data and expert judgement. Official data (65 percent) sources include: OECD, WHO, UNICEF, UNESCO, World Bank, FAO, UNODC, and ITU. Expert judgement includes non-official data (35 percent), which is typically produced by non-governmental actors such as research institutions, Universities, NGOs, and private sector by using different techniques (estimation, satellite imagery, expert surveys etc.). |
| **Coverage:** | Up to 193 UN member states (2021 SDG Index covered 165 countries). |
| **Time coverage:** | Annually since 2016. The 2021 edition is limited as most global indicators for 2020 are not available due to time lags in data reporting related to the pandemic. |
| **Contact details:** | info@sdgindex.org.<br>guillaume.lafortune@unsdsn.org. |
| **Methodology:** | The conceptual framework corresponds to 17 SDGs adopted in 2015, which include 169 more specific targets and means for implementation. The Index focuses on absolute country performance (not relative to other countries' performance) based on distance to invariant sustainable development targets.<br><br>The procedure for calculating the SDG Index comprises three steps: (i) censor extreme values from the distribution of each indicator; (ii) rescale the data to ensure comparability across indicators; (iii) aggregate the indicators within and across SDGs. The same basket of indicators is used for all countries to generate comparable scores and rankings.<br><br>To ensure comparability, data are normalized for each indicator by transforming it linearly into a scale from 0 to 100. A value of 100 denotes the technical optimum, while a value of zero denotes the lowest 2.5th percentile in the distribution. For clarity and ease of interpretation, some indicators are transformed so that a higher score on the normalized indicator corresponds to higher overall progress.<br><br>Each SDG has the same weight in the Index, which is in line with the spirit of the SDGs adopted in September 2015. This implies that countries need to pursue all 17 goals through integrated strategies. Within each goal every indicator is equally weighted, which implies that every indicator is weighted inversely to the number of indicators available for that particular SDG. An advantage of this approach is that as more data become available, new variables can easily be added to individual SDGs without changing the relative weights of the goals. |

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| | The global SDG Index score and scores by goal can be interpreted as the percentage of achievement. The difference between 100 and countries' scores is therefore the distance in percentage that needs to be completed to achieve the SDGs and goals. A score of 85 suggests that the country is on average 85 percent of the way to the best possible outcome across the 17 SDGs. |
| **Format of results:** | Scale of 0 (lowest level of achievement against the SDGs) to 100 (highest level). |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis.,<br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Consider that for some questions the Distance to Frontier metrics may better reflect change in performance over time. |
| **Research on the indicator** | • Diaz-Sarachaga et al (2018), Is the Sustainable Development Goals (SDG) index an adequate framework to measure the progress of the 2030 Agenda?<br>• Ruiz and Soto (2019), Attaining Selected Sustainable Development Goals in Guatemala: Spending, Provision, and Financing Needs.<br>• Papadimitriou et al (2019), JRC Statistical Audit of the Sustainable Development Goals Index and Dashboards. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available to the public.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is available. |
| **Overall assessment:** | The SDG Index and Dashboards Report is a worldwide study to assess where each country stands with respect to achieving the Sustainable Development Goals adopted in September 2015. The SDG Index describes countries' progress towards achieving the SDGs and suggests areas requiring faster progress. It is useful for governments and civil society to utilize the SDG Index and Dashboards Report to identify priorities for action, understand key implementation challenges, track progress, ensure accountability, and identify gaps.<br>However, as the research listed above indicates, lack of data in some countries (particularly comprehensive and frequent data in low-income and small-island countries) has prevented their inclusion in the analysis. In addition, the SDG Dashboards do not capture important regional challenges that are less relevant at the global level, such as neglected tropical diseases, malaria, or inequality in education outcomes. Similarly, no globally available data could be found to track the impact a country might have on SDG achievement in another country (e.g., by sourcing natural resources from abroad). These challenges require careful analysis, and the compilers are aiming to address them in later versions of the SDG Index. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Sustainable Development Goals (SDG) Index:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology note points to general terms and conditions on the website, |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | | x | | | Only general information. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of data sources may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | The indicator is disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | info@sdgindex.org<br>guillaume.lafortune@unsdsn.org |

# Human Development Index (HDI)

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| **Compiler:** | United Nations Development Programme (UNDP). |
| **Stated purpose of indicator:** | The Human Development Index (HDI) was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living. |
| **Funding source:** | The UNDP relies entirely on voluntary contributions from UN member states, multilateral organizations, private sector, and other sources, in the form of unrestricted regular resources (core), and contributions earmarked for specific programs: https://www.undp.org/content/undp/en/home/funding.html |
| **Current usage:** | The indicator is used by development agencies, researchers, and the public including NGOs. |
| **Where to find it:** | http://hdr.undp.org/en/content/human-development-index-hdi<br>http://data.un.org.libproxy-imf.imf.org/. |
| **Type of source data:** | Official data, including those from the following international agencies:<br>• Life expectancy at birth: UNDESA (2019).<br>• Expected years of schooling: UNESCO Institute for Statistics (2020), ICF Macro Demographic and Health Surveys, United Nations Children's Fund (UNICEF) Multiple Indicator Cluster Surveys and OECD (2019).<br>• Mean years of schooling: UNESCO Institute for Statistics (2020), Barro and Lee (2018), ICF Macro Demographic and Health Surveys, UNICEF Multiple Indicator Cluster Surveys and OECD (2019)<br>• GNI per capita: World Bank (2020), IMF (2020) and United Nations Statistics Division (2020). |
| **Coverage:** | 189 economies. |
| **Time coverage:** | Yearly since 1990. |
| **Contact details:** | Anna Ortubia, Communications Officer, at: anna.ortubia@undp.org.<br>Phone: +1-212-906-5964. |
| **Methodology:** | The HDI is computed in two steps and includes three dimensions: health, education, and standard of living.<br>*Step 1*. Create the dimension indices. Minimum and maximum values (goalposts) are set to transform the indicators expressed in different units into indices between 0 and 1. These goalposts act as the "natural zeros" and "aspirational targets," respectively, from which component indicators are standardized. For health these minimum and maximum values are life expectancy at birth of 20 years and 85 years, respectively. The education dimension uses two indicators for which the minimum and maximum values are: expected years of schooling (0 and 18 years) and mean years of schooling (0 and 15 years). For standard of living dimension, values for gross national income per capita are set as 100 and 75,000 (2011 PPP US$). For each indicator, a dimension index is computed as (actual value-minimum value)/ (maximum value – minimum value). For the education |

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| | dimension, which has two indicators, the arithmetic mean of both indexes is used. *Step 2*. Calculate the HDI as the geometric mean of the dimension indices. |
| **Format of results:** | The HDI scores range from 0 to 1, with the higher number indicating higher achievement of human development. |
| **How to use it:** | • Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br>• Recognize that implicit trade-offs between the three dimensions vary widely according to the countries' position.<br>• Acknowledge that changes in national data might affect the HDI and that the HDI includes time series that use interpolated data based on modeling. |
| **Research on the indicator** | • Srinivasan (1994) provides a critical review of the HDI and Human Development Report. Anand and Sen (1994) includes a detailed discussion of methodology and measurement of the HDI.<br>• Kovacevic (2010) on the distributional aspects of HDI.<br>• Wolff, Chong and Auffhammer (2011) on how data revisions and formula changes have large impacts on HDI country rankings.<br>• Zambrano (2017) reconsiders the trade-offs between the different dimensions of the HDI. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available to subscribers.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. Access to the data and metadata is available. |
| **Overall assessment:** | The HDI is a commonly used indicator for economic development. It offers a relatively rich time series and is constructed in a transparent two-step process. The HDI methodology note is publicly available and provides a clear description of the compilation and computation. The underlying sources used for computing the indicator includes well-established international data sources which are based on official data. An inequality-adjusted HDI is also available. However, as the methodology note acknowledges, there could be potential discrepancies between national and international estimates and the cutoffs used for country groupings into low-, medium-, high- and very high- human development are based on judgement. Moreover, as the research listed above describes, there are dimensions of human development (access to broad public services, fertility issues, environmental sustainability) that are not part of the indicator. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Human Development Index (HDI):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology note points to general terms and conditions on the website, |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. Publicly available technical notes list international agencies used as source of the underlying data. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented and computation is easy to understand. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributing institutions and the soundness of their data collection methods, but the sample of data sources may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the large number of sources. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | Indicator is publicly available. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | anna.ortubia@undp.org |

# Product Market Regulation (PMR) Indicators

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| **Compiler:** | OECD. |
| **Stated purpose of indicator:** | The indicators aim to measure a country's regulatory stance in an internationally comparable way. It includes an economy-wide Product Market Regulation (PMR) indicator and sector-specific PMR indicators. These indicators allow policy makers and researchers to: (i) understand where a country stands compared to internationally accepted best practices; (ii) track reform progress over time; and (iii) investigate the links between regulatory practices and economic performance. |
| **Funding source:** | OECD. |
| **Current usage:** | Used by policy makers, international organizations, and academia. |
| **Where to find it:** | http://www.oecd.org/economy/reform/indicators-of-product-market-regulation/.<br>https://www-oecd-ilibrary-org.libproxy-imf.imf.org/economics/data/oecd-product-market-regulation-statistics_pmr-data-en. |
| **Type of source data:** | Official data and expert judgment. |
| **Coverage:** | The geographical coverage varies according to the vintage. All OECD member countries are included in each vintage. Other non-OECD countries have been added over time, in collaboration with the World Bank. The latest indicators for 2018 include all OECD countries and eleven non-OECD countries (Argentina, Brazil, Bulgaria, Croatia, Cyprus, Indonesia, Kazakhstan, Malta, Romania, Russia, and South Africa). Additional indicators have been prepared for Albania, China, and Serbia. |
| **Time coverage:** | The economy-wide PMR indicators are available every five years since 1998 (1998, 2003, 2008, 2013, 2018). The sector-specific indicators for (i) retail trade and (ii) professional services are available for 1998, 2003, 2008 and 2013, while those for (iii) energy, communication and transport are available for every year between 1975 and 2013. The sectoral coverage in the 2018 vintage is somewhat different.<br>The information reflected in each vintage refers to status of laws and regulations on January 1 of the relevant year. *The methodology of the 1998 to 2013 vintages is broadly comparable, however it has considerably changed in 2018 and at present past vintages cannot be compared with the 2018 PMR indicators* (see below). |
| **Contact details:** | OECD.<br>Economics Department-PMR team.<br>PMR2018@oecd.org |
| **Methodology:** | The indicator is based on a questionnaire filled by ministries, regulators and other relevant authorities in the countries surveyed. The methodology also allows for extrapolation and other methods (e.g., regressions) to impute missing data. The information is vetted by OECD experts. Information is collected at federal/national level, but representative lower-level jurisdictions are involved, if relevant sector or area is regulated by them. The PMR are *de jure* (not *de facto*) indicators: they reflect the status of the existing laws and regulations, but do not capture the level of enforcement. The information is scored against accepted international best practice (from 0 to 6). Based on the 2018 methodology, the scored information is regrouped into 18 regulatory areas, which are then grouped into the overall PMR indicator, 2 high-level, and six medium-level indicators. Simple averages are used when grouping the results into broader areas. The overall PMR indicator is the simple |

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| | average of two high-level indicators: (i) distortions induced by state involvement; and (ii) barriers to domestic and foreign entry.<br><br>For 2018, the questionnaire was substantially revised in line with the main regulatory issues including those stemming from the emergence of new technologies and business models. The revisions aimed to improve the relevance of the dataset to gauge the regulatory stance. A few sectors and regulatory domains were added and a few removed. |
| **Format of results:** | The PRM values range between 0 and 6, with the higher number indicating less competition-friendly regulatory regime. |
| **How to use it:** | • Acknowledge the uncertainty around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis. Uncertainty bands around point estimates are not provided by the compiler.<br><br>• Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers. Recognize indicator measures *de jure* and (not *de facto*) regulations and relies on a simple average across sub-indicators so that any different growth impact across sectoral regulations is not incorporated.<br><br>• Consider changes in data sources and methodology over time. The indicator values from 1998 to 2013 are comparable, however the methodology has considerably changed in 2018 and at present past vintages cannot be compared with the 2018 PMR indicators. *Hence, for trend analysis, PMR scores for 2018 should not be compared to earlier years.* |
| **Research on the indicator** | • Parker and Kirkpatrick (2012) offer a critical review of the quantitative evidence on the impact of regulatory policy in terms of economic outcomes.<br><br>• Amable, Ledezma and Robin (2016) examine the influence of product market regulation (PMR) of key input sectors of the economy on the innovative process of manufacturing and its consequences on productivity.<br><br>• Charlot, Malherbet and Terra (2015) examine the impact of PMR on informality and unemployment. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available.<br><br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br><br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br><br>• **Accessibility**. The data and metadata are publicly available. |

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| **Overall assessment:** | The economy-wide PMR is a composite indicator that aims to provide an overall summary of the regulatory framework in a country. The sectoral PMR indicators can shed further light on specific regulatory features that could have been otherwise masked in the economy-wide PMR. The OECD vetting process aims to have an internationally comparable indicator. At the same time, PMR indicators have some limitations including the fact that they are de jure, not de facto measures, and rely on questionnaires and not direct data. The indicator values from 1998 to 2013 are comparable, however the methodology has substantially changed in 2018 and at present past vintages cannot be compared with the 2018 PMR indicators. Hence, for trend analysis, PMR scores for 2018 are not comparable to earlier vintages. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Product Market Regulation Indicators:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodology note points to general terms and conditions on the website, |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | x | | Not publicly identified. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. Summary of questionnaire responses from the authorities are publicly available. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive list of all relevant concepts, given the complex nature of the issue being assessed. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to verify the professionalism of the contributors and the soundness of their data collection methods, but the sample of experts may not be representative. Methodology calls for a minimum number of respondents for each question to be counted and allows for extrapolation and other methods to impute missing answers. |
| b. official publications by national statistical agencies or international organizations | | x | | | | Official data sources are generally comprehensive. The indicator is based on a questionnaire filled by ministries, regulators and other relevant authorities in the countries surveyed. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. Questionnaire designed by OECD experts on the topic. However, de jure conditions and de facto conditions can differ significantly. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data likely to be outdated, given the survey is conducted every five years; and measure the de jure status of the regulation as of January 1 of that year. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | x | | | No formal revision studies are published. However, for each vintage, working papers discuss revisions and update are published here. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but due to inherent uncertainty cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | Available to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is available to the public here. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | PMR2018@oecd.org |

# Global Financial Inclusion (Global Findex) Database

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| **Compiler:** | The World Bank Group. |
| **Stated purpose of indicator:** | The Global Financial Inclusion (Global Findex) database is the world's most comprehensive data set on how adults save, borrow, make payments, and manage risk and includes indicators on the access and use of formal and informal financial services and the use of financial technology (fintech), including the use of mobile phones and the internet to conduct financial transactions. |
| **Funding source:** | The Global Findex database is managed by the World Bank with funding from the Bill and Melinda Gates Foundation. |
| **Current usage:** | The Global Findex database is used by policymakers and researchers. A list of research undertaken using the database is provided. Member states at the United Nations are using Global Findex data to track progress toward the Sustainable Development Goals. |
| **Where to find it:** | Global Findex database - World Bank Group. |
| **Type of source data:** | Survey data covering almost 150,000 people. The latest survey was carried out over the 2017 calendar year by Gallup, Inc., on approximately 1,000 people in each economy and in over 150 languages, using randomly selected, nationally representative samples. The target population is the entire civilian, noninstitutionalized population aged 15 and above. |
| **Coverage:** | 144 economies—representing more than 97 percent of the world's population. |
| **Time coverage:** | Data are collected on a triennial basis beginning in 2011. The 2020 survey was delayed due to the pandemic and it is scheduled to take place over 2021 with the next publication of the Global Findex planned for late Spring 2022. |
| **Contact details:** | World Bank Publications<br>The World Bank Group<br>1818 H Street, NW<br>Washington DC, 20433 USA<br>globalfindex@worldbank.org<br><br>Lead economist: Leora Klapper (lklapper@worldbank.org). |
| **Methodology:** | Surveys are conducted via telephone or face-to-face interviews (in countries where telephone coverage represents less than 80 percent of the population or where it is customary methodology). The fieldwork is generally completed within two to four weeks. The methodology is outlined on the Global Findex and Gallup websites.<br><br>The first stage of sampling is the identification of primary sampling units, consisting of clusters of households. The primary sampling units are stratified by population size, geography, or both, and clustering is achieved through one or more stages of sampling. Where population information is available, sample selection is based on probabilities proportional to population size; otherwise, simple random sampling is used. Random route procedures are used to select sampled households. Unless an outright refusal occurs, interviewers make up to three attempts to survey the sampled household. If an interview cannot be obtained at the initial sampled household, a simple substitution method is used. |

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| | Respondents are randomly selected within the selected households by means of the Kish grid.<br><br>Data weighting is used to ensure a nationally representative sample for each economy. First, base sampling weights are constructed to account for oversamples and household size. If an oversample has been conducted, the data are weighted to correct the disproportionate sample. Weighting by household size (number of residents age 15 and above) is used to adjust for the probability of selection, as residents in large households will have a disproportionately lower probability of being selected for the sample. Second, poststratification weights are constructed. Population statistics are used to weigh the data by gender, age, and, where reliable data are available, education or socioeconomic status. |
| **Format of results:** | The Global Findex database provides more than 200 indicators on topics such as account ownership, payments, saving, credit, and financial resilience. Global Findex data is reported for all indicators by country, region, and income group. Available indicators are reported for 2017, 2014, and 2011. Country level data can be downloaded into STATA, Excel, and are available at the World Bank's Databank website. Individual-level microdata are also available to download. |
| **How to use it:** | • Acknowledge the uncertainty due to small sample sizes around point estimates when using indicator for ranking purposes, comparison with peers, and trend analysis.<br><br>• Recognize the break in triennial periodicity due to the delay in the 2020 surveys.<br><br>• Acknowledge that the survey may not capture "shy borrowers", may under sample non-citizen residents and supplement with financial service supply side data from the IMF's Financial Access Survey database. |
| **Research on the indicator** | Estimates of standard errors (which account for sampling error) vary by country and indicator. For country- and indicator-specific standard errors, refer to the Annex and Country Table in Demirguc-Kunt, Asli and L. Klapper. 2012. "Measuring Financial Inclusion: The Global Findex," Policy Research Working Paper 6025, World Bank, Washington, D.C.<br><br>Other papers using the Global Findex are found here. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the dataset is collected, processed, and disseminated are made available to the public.<br><br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br><br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler reports the degree of uncertainty around point estimates.<br><br>• **Accessibility**. The data and metadata are publicly accessible. |

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| **Overall assessment:** | The Global Findex database is based on a triennial survey of approximately 1,000 respondents, covering over 140 countries. Survey responses are processed, and an approximate design effect and margin of error is identified for each economy. The methodology is well documented. Limited sample sizes could impact results, especially in countries with large populations. Surveys may not capture accurate information from "shy borrowers" or may miss capturing the demand for financial services of non-citizen resident populations. The surveys were conducted triennially through 2017, but the 2020 surveys were postponed due to the pandemic resulting in discontinuities to the periodicity of the dataset. The next release is scheduled for late Spring 2022. The Global Findex dataset is a good demand-side survey complement to the IMF's supply-side Financial Access Survey. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Global Financial Inclusion (Global Findex) Database:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Terms and conditions are well documented. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | | x | Information on whether there is any pre-access is not available. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | General information about Gallup polls is identified. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. In addition, new questions are introduced at any survey round to capture additional elements of financial inclusion. Despite this, it is unlikely that the database comprises an exhaustive list, given the wide variety of formal and informal financial products and services. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Sample size is limited (1,000 people on average) but stratified samples and weighting post-survey are used to ensure that the margin of error of country-level indicators is maintained at an adequate level. |
| b. official publications by national statistical agencies or international organizations | x | | | | | Not applicable. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | x | | | | Source data are reasonable proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | With a triennial survey, data of some variables may not reflect the actual status of the underlying variable in years when the survey is not conducted. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | x | | | | The compilation is based on sound techniques to ensure a nationally representative sample for each economy. Data weighting is used to adjust for household size, gender, age, and, where reliable data are available, education or socioeconomic status. Finally, approximate study design effect and margin of error are calculated. The average country-level margin of error for the account penetration indicator is plus or minus 3.9 percent |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |

## Global Financial Inclusion (Global Findex) Database:
Application of the IMF Data Quality Assessment Framework (DQAF)
(concluded)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | Data weighting is used to ensure a nationally representative sample for each country. Therefore, national level indicators are comparable across countries. Sub-group cross-country comparison (by age, gender, etc.,), however, may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time | | | | | x | No information is available to indicate if any users are given early access. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | Indicators, including micro-level data, are routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodological note is made publicly available. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | globalfindex@worldbank.org. |

# COVID-19-Community Mobility Reports

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| **Compiler:** | Google LLC. |
| **Stated purpose of indicator:** | The Community Mobility Reports aim to provide insights into the impact of policies taken in response to COVID-19. The reports chart people's movement trends over time by geography, across different categories of places such as retail and recreation, groceries and pharmacies, parks, transit stations, workplaces, and residential. The reports aim to respond to public health officials' interest in using data similar to the one used in Google Maps. 1/ |
| **Funding source:** | Google LLC is a global technology company specialized in internet-related services and products. The Company is primarily focused on web-based search and display advertising tools, search engine, cloud computing, software, and hardware. Google serves customers worldwide. |
| **Current usage:** | Used by policy makers, international organizations, and academia. |
| **Where to find it:** | https://www.google.com/covid19/mobility/.<br>https://www.gstatic.com/covid19/mobility/Global_Mobility_Report.csv. |
| **Type of source data:** | Survey of hard data obtained through apps. These reports are created with aggregated, anonymized sets of data from users who have turned on the Location History setting in Google Maps. 2/ |
| **Coverage:** | Data for 135 countries. For some countries reports by states or regions are also available. |
| **Time coverage:** | Daily reports from February 15, 2020 onwards.<br>Authors note that these reports will be available for a limited time, as long as public health officials find them useful in their work to stop the spread of COVID-19 [confirmation with the compiler is pending]. |
| **Contact details:** | Not provided.<br>Support page: https://support.google.com/covid19-mobility/answer/9824897. |
| **Methodology:** | The Community Mobility Reports show movement trends by region, across different categories of places.<br>• For all categories, except residential, the indicator is based on the number of visitors; for residential, the indicator is based on the time spent (duration).<br>• The data shows how visitors to (or time spent in) categorized places change compared to baseline days. A baseline day represents a normal value for that day of the week. The baseline day is the median value from the 5-week period Jan 3 – Feb 6, 2020.<br>• Categories of places include retail and recreation; grocery and pharmacy; parks; transit stations; workplaces and residential.<br>• For each category in a country or region, reports show the changes in two different ways: a) Headline number: compares mobility for the report date to the baseline day. It is calculated for the report date (unless there are gaps) and reported as a positive or negative percentage; b) Trend graph: The percent changes in the six weeks before the report date. It is shown as a graph. |

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| | • No personally identifiable information, such as an individual's location, contacts, or movement will be made available at any point. These reports are created with aggregated, anonymized sets of data from users who have turned on the Location History setting, which is off by default.<br>• However, if Google did not have enough data to estimate the change confidently and anonymously from the baseline, the time series would have gaps and the headline number computed as the most-recent calculated change |
| **Format of results:** | There are two main formats: a PDF, with a report per county or region within a country, and a historical database (in CSV format). In both cases, the report is based on percentage change vis-à-vis a fixed baseline as explained above. |
| **How to use it:** | • Acknowledge the indicator is not meant to be compared across countries or regions, and that the sample size might change from day to day. The time series might be discontinuous if for a particular day not enough sample data was available to ensure anonymous results. Refinements in the calculations might render time series not comparable.<br>• Be aware that the baseline is computed on a very short period that could be biased by seasonal or one-off factors.<br>• Recognize the indicator is not seasonally adjusted and/or adjusted for any other country characteristic. |
| **Research on the indicator** | • IMF 2020 on the connection between mobility and unsocial unrest.<br>• Sampi and Jooste on using Google Mobility Report to Nowcast economic activity.<br>• Ilin, Annan-Phan, Tai, Mehra, Hsiang, Blumenstock, 2020 use mobility indicators to measure the effectiveness of non-pharmaceutical interventions. |
| **DQAF assessment:** | • **Assurances of integrity.** The terms and conditions under which the indicator is collected, processed, and disseminated are broadly available.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and general metadata are publicly available. No direct contact is provided. |
| **Overall assessment:** | The Google COVID-19 Community Mobility Report offers an indicator that could be useful for analysis beyond COVID-19. It offers both quick access to pre-made reports as well as raw data that could be further analyzed. It has some important |

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| | limitations including non-comparability across countries and potentially discontinuous series. Its strengths include its ample coverage and high frequency. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |
| 1/ COVID-19 Community Mobility Reports (google.com).<br>2/ Overview - Community Mobility Reports Help (google.com). | |

## COVID-19 Community Mobility Reports:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Terms and conditions are transparently described on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | | x | Information on whether there is any pre-access is not available. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | x | | | | | The indicator does not use data from other agencies beyond the compiler (google). |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator. The variables used in the compilation are well-documented. However, it is unlikely that they comprise an exhaustive measure of mobility and/or activities. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compiler makes efforts to refine methodology to generate consistent measurement across different location categories, but the sample of users' locations might not be representative (e.g., requires tech knowledge how to change device settings). |
| b. official publications by national statistical agencies or international organizations | x | | | | | The indicator does not use official publications. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | x | | | | Source data are available in real time. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodology note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | x | | | | Compiler highlights frequent refinements/updates on scope and methodology to calculate the index (expanding locations/geographical coverage and granularity of places). |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, but, as the same compiler transparently acknowledges, the indicator might not be meaningfully comparable across countries or regions. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | Available to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | The indicator is routinely disseminated. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | | x | | | A general description of the methodology is available here but without extensive details. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | | x | | | Compiler provides a link for feedback and a "how can we help you" platform. But no specific name, email, phone number or physical address to contact. |

# Gender Inequality Index (GII)

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| **Compiler:** | United Nations Development Programme. |
| **Stated purpose of indicator:** | Part of the UN Development Indexes, the Gender Inequality Index (GII) measures gender inequalities in three aspects of human development—reproductive health, measured by maternal mortality ratio and adolescent birth rates; empowerment, measured by proportion of parliamentary seats occupied by females and proportion of adult females and males with at least some secondary education; and economic status, expressed as labor market participation. |
| **Funding source:** | The UNDP relies entirely on voluntary contributions from UN member states, multilateral organizations, private sector, and other sources, in the form of unrestricted regular resources (core), and contributions earmarked for specific programs: https://www.undp.org/content/undp/en/home/funding.html. |
| **Current usage:** | Used by development agencies, researchers, and the public including NGOs. |
| **Where to find it:** | http://hdr.undp.org/en/content/gender-inequality-index-gii. |
| **Type of source data:** | Official data and the following international agencies:<br>• Maternal mortality ratio (MMR): World Health Organization (WHO), United Nations Children's Emergency Fund (UNICEF), United Nations Population Fund (UNFPA), World Bank Group and United Nations Population Division.<br>• Adolescent birth rate (ABR): United Nations Department of Economic and Social Affairs (UNDESA).<br>• Share of parliamentary seats held by each sex (PR): Inter-Parliamentary Union.<br>• Population with at least some secondary education (SE): United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics and Barro and Lee (2018).<br>• Labor force participation rate (LFPR): International Labour Organization. |
| **Coverage:** | 162 countries. |
| **Time coverage:** | Quinquennial data from 1990-2010, annual from 2011-19. |
| **Contact details:** | For publications, data, online and digital products inquiries, contact Admir Jahic, Manager, Online, Digital and HDR Production at: admir.jahic@undp.org. |
| **Methodology:** | The GII has three main dimensions, which have subcategories that are equally weighted in the calculation. The first dimension is reproductive health, whose subcategories are maternal mortality and adolescent fertility. Reproductive health is only relevant and incorporated in the geometric mean calculation for women, not for men. The second dimension is empowerment whose subcategories are parliamentary representation and attainment at secondary and higher education. This dimension is included in the geometric mean calculation for both women and men. The third dimension is the labor market participation rate, which is included in the geometric mean calculation for both women and men.<br>GII values are computed using the association-sensitive inequality measure suggested by Seth (2009), which implies that the index is based on the general |

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| | mean of general means of different orders—the first aggregation is by a geometric mean across dimensions; these means, calculated separately for women and men, are then aggregated using a harmonic mean across genders.<br><br>Full methodology, detailing the five steps used to calculate the GII values, is available here: http://hdr.undp.org/sites/default/files/hdr2020_technical_notes.pdf. |
| **Format of results:** | The GII ranges between 0 and 1. Higher GII values indicate higher inequalities between women and men. There is no country with perfect gender equality. It can be interpreted as a combined loss to achievements in reproductive health, empowerment, and labor market participation due to gender inequalities. |
| **How to use it:** | • Recognize that rankings reflect relative (and not absolute) performance and consider presenting relative to range or average of peers.<br><br>• Recognize the trade-offs between dimensions may vary according to the countries' economic structure and cultural values.<br><br>• Acknowledge that changes in national data might affect the GII and that the GII includes time series that use interpolated data based on modeling. |
| **Research on the indicator** | Gaye and others (2010) use the GII to measure key disparities in human development.<br><br>Permanyer (2013) provides a critical review of the UNDP's Gender Inequality Index.<br><br>Armin and Sabermahani (2017) assess the appropriateness of using the GII to measure inequality. |
| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public.<br><br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br><br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler does not report the degree of uncertainty around point estimates.<br><br>• **Accessibility**. The data and metadata are publicly accessible. |
| **Overall assessment:** | The GII is a commonly used indicator measuring gender inequality. It offers a relatively rich time series and is constructed in a transparent five-step process. The GII methodological note is publicly available and provides a clear description of the compilation and computation. The underlying sources used for computing the indicator include well-established international data sources which are based on official data. However, as the methodological note acknowledges, there could be some potential limitations. For example, the GII does not capture the length and breadth of gender inequality. For example, it captures national parliamentary representation but excludes participation at the local government level and elsewhere in community and public life. The labor market dimension lacks information on employment and the quality of jobs. The index misses other |

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| | important dimensions, such as unpaid work, and the fact that many women carry an unfair burden of caregiving and housekeeping. Asset ownership, childcare support, gender-based violence and participation in community decision-making are also not captured in the GII, mainly due to limited data availability. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Gender Inequality Index (GII):
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | | x | | | The methodological note points to general terms and conditions on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | | | | x | Information on whether there is any pre-access is not available. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | Detailed information is provided. Data sources are specified in the technical note (http://hdr.undp.org/sites/default/files/hdr2020_technical_notes.pdf). |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions. | | | x | | | No international standards exist for the indicator. However, it satisfies condition b as it follows the alternative conceptual framework presented in the technical note (http://hdr.undp.org/sites/default/files/hdr2020_technical_notes.pdf.). Furthermore, the dimension indexes on which the GII is based (particularly health and labor market indicators such as maternal mortality ratio, adolescent birth rate and labor force participation) follow standard definitions. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | x | | | | The compiler makes efforts to validate source data, although the sample of data sources may not be representative. |
| b. official publications by national statistical agencies or international organizations | | x | | | | The UN also uses publicly available data from national and international sources. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Some source data likely to be imperfect proxies of relevant concepts. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data are one year behind (mother mortality ratio and adolescent birth rate). |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | | x | | | The methodological note explains statistical techniques used in the compilation, but the compiler does not report the degree of uncertainty around point estimates. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | x | | No revision studies are published. |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | | x | | | The indicator is presented clearly, and due to heterogeneity of samples and differences in economic structures and cultural values, cross-country comparison may not always be meaningful. |
| 4.1.2 Indicators are made available to all users at the same time. | | x | | | | Indicator is publicly available. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | x | | | | | Indicator is routinely disseminated along with components. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodological note is made publicly available. http://hdr.undp.org/sites/default/files/hdr2020_technical_notes.pdf |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | admir.jahic@undp.org |

# Enterprise Surveys

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| **Compiler:** | World Bank Group - Enterprise Analysis Unit. |
| **Stated purpose of indicator:** | Quantifies the many factors that shape the business environment, including infrastructure, trade, access to finance, regulations, taxes and business licensing, corruption, crime and informality, labor, rule of law, and perceptions about obstacles to doing business. |
| **Funding source:** | World Bank with co-funding in some regions:<br>- Europe and Central Asia: the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), and the European Commission (EC).<br>- Latin America: the Inter-American Development Bank (IDB).<br>- Middle East and North Africa: the EBRD and the EIB. |
| **Current usage:** | Used by policymakers, international organizations, and academia. |
| **Where to find it:** | Enterprise Surveys Indicators Data - World Bank Group. |
| **Type of source data:** | Firm-level surveys of qualitative and quantitative information. |
| **Coverage:** | Past surveys for 148 countries are in the database. The Enterprise Analysis Unit is currently conducting surveys in 12 countries, of which five are newly added countries. |
| **Time coverage:** | Typically conducted every three to four years starting with 1990 (with time coverage and frequency varying across countries). A COVID-19 module was introduced in 2020 to measure the effect of the virus in countries where the ongoing Enterprise Survey is underway or planned. |
| **Contact details:** | Enterprise Analysis Unit<br>Global Indicators Department, DEC<br>1818 H Street, NW<br>Washington DC, 20433 USA<br>Phone: +1-(202) 473-1000<br>enterprisesurveys@worldbank.org. |
| **Methodology:** | Since 2006, most data collection efforts have been centralized within the Enterprise Analysis Unit. Surveys implemented by the Enterprise Analysis Unit follow the Global Methodology, that includes standardized **survey** instruments and a uniform sampling **methodology as** outlined here. Private contractors conduct the surveys on behalf of the World Bank to preserve confidentiality and ensure the greatest degree of survey participation. Surveys are answered by business owners and top managers. The manufacturing and services sectors are the primary business sectors of interest (questionnaires are different for the two sectors with many questions overlapping and others only applicable to one type of business). Survey topics include firm characteristics, gender participation (ownership, management, and type of contract), access to finance, annual sales, costs of inputs/labor, workforce composition, bribery, licensing, infrastructure, trade, crime, competition, capacity utilization, land and permits, taxation, informality, business-government relations, innovation and technology, and performance measures. Over 90 percent of the questions objectively ascertain characteristics of a country's business environment. The remaining questions assess the survey respondents' opinions on what the obstacles to firm growth and performance are. The mode of data collection is face-to-face interviews. The sampling methodology is stratified random sampling. In a simple random sample, all members of the enterprise population have the same probability of being |

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| | selected and no weighting of the observations is necessary. In a stratified random sample, all population units are grouped within homogeneous groups and simple random samples are selected within each group. This method allows computing estimates for each of the strata (sub-groups) with a specified level of precision while population estimates can also be estimated by properly weighting individual observations. The sampling weights take care of the varying probabilities of selection across different strata. The strata for Enterprise Surveys are firm size, business sector, and geographic region within a country. Obtaining panel data is a priority in current Enterprise Surveys. Consequently, maximal effort is expended to re-interview as many firms (from the prior survey) as possible. The on-going survey questionnaire related to the effect of COVID-19 is available. The World Bank's Enterprise Analysis Unit is supplementing the COVID-19 exercise with a module on informal business Country coverage of the COVID-19 modules will vary as the exercise targeted countries where the ongoing Enterprise Survey is underway or planned with country-level data released as they become available. |
| **Format of results:** | Business environment and performance indicators are compiled by computing weighted averages of businesses' responses to questions in the Enterprise Survey using sampling weights. Indicators are displayed at the country level but can be viewed by firm subgroups as well. |
| **How to use it:** | • Exercise caution when comparing raw data and point estimates between surveys that did and did not adhere to the Enterprise Surveys Global Methodology (refer to the DataDetails.xls file for a list of Global and Non-Global surveys).<br>• Be aware that indicators from surveys following the Global sampling methodology are representative at the country level but may not be representative at subgroup levels.<br>• Recognize that while some information may be outdated because the extensive resources required to conduct Enterprise Surveys imply that surveys are not conducted more often than every three to four years there could be more recent data related to the COVID-19 follow-up surveys, which are released on an on-going basis.<br>• Be aware that, since the Global sampling methodology does not stratify by gender of the top manager, exporter status, or ownership (ex post groupings), the high level of precision is not guaranteed for indicator values by these groupings. |
| **Research on the indicator** | Data from the Enterprise Surveys have served as input for numerous research papers, including:<br>Asif M. Islam A. M. and Meza J. R. 2021, A cautionary tale: an experiment on the stability of business environment perceptions in a firm survey.<br>Francis D. C., Karalashvili N., Maemir H., and Meza J. R., 2020, Measuring total factor productivity using the enterprise surveys: a methodological note.<br>Tanima A., Silvia M. and Kohei U., 2020, Do crises hit female-managed and male-managed firms differently? Evidence from the 2008 financial crisis.<br>Other papers can be found here. |

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| **DQAF assessment:** | • **Assurances of integrity**. The terms and conditions under which the indicator is collected, processed, and disseminated are made available to the public.<br>• **Methodological soundness**. There is no internationally accepted statistical standard for this indicator. The compilation of the indicator is well-documented but is unlikely to capture all relevant concepts.<br>• **Accuracy and reliability**. The compiler makes efforts to validate source data, although some data may be outdated or imperfect proxies. The compiler reports the degree of uncertainty around point estimates.<br>• **Accessibility**. The data and metadata are publicly accessible. |
| **Overall assessment:** | The Enterprise Survey is a firm-level survey of a representative sample of an economy's private sector. The survey covers a broad range of business environment topics including access to finance, corruption, infrastructure, crime, competition, and performance measures. The Survey collects a wide array of qualitative and quantitative information through face-to-face interviews with firm managers and owners regarding the business environment in their countries and productivity of their firms. Firm-level surveys have been conducted since the 1990s by different units within the World Bank. Since 2005-06, most data collection efforts have been centralized within the Enterprise Analysis Unit with the earlier surveys replaced by the Enterprise Survey. Earlier data from differing survey instruments have been matched to an older standard instrument for dissemination on the World Bank website. The raw individual country datasets, aggregated datasets (across countries and years), panel datasets, and all relevant survey documentation are publicly available upon signing up for free access to the Enterprise Survey data portal. The methodology of the Enterprise Survey is publicly available as is information related to the on-going COVID-19 modules. |
| Disclaimer: Please see disclaimer on the first page of the Digest. | |

## Enterprise Surveys:
### Application of the IMF Data Quality Assessment Framework (DQAF)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **1. Assurances of integrity** | | | | | | |
| 1.1 Transparency | | | | | | |
| 1.1.1 The terms and conditions under which the indicator is collected, processed, and disseminated are available to the public | | x | | | | Detailed information made available to the public on the website. |
| 1.1.2 Pre-access to the indicator by interested parties prior to release is publicly identified | | x | | | | It is specified on the website that data are released as soon as they become available: https://www.enterprisesurveys.org/en/enterprisesurveys. |
| 1.1.3 Products of other agencies/units used in the compilation of the indicator are clearly identified as such | | x | | | | In some countries the World Bank conducts surveys jointly with other institutions and this information is publicly stated. |
| **2. Methodological soundness** | | | | | | |
| 2.1 Concepts and definitions | | | | | | |
| 2.1.1 Overall structure in terms of concepts and definitions follows: a. (internationally) accepted standards and guidelines; or b. alternative indicator-relevant conceptual framework with well-documented and relevant concepts and definitions | | | x | | | No international standards exist for the indicator, despite the variables used in the compilation being well-documented. By design, the survey enumerates specific components of targeted issues and needs to balance length versus respondent burden. Consequently, it is unlikely that the variables comprise an exhaustive list of all relevant concepts, given the complex nature of the issue. |
| **3. Accuracy and reliability** | | | | | | |
| 3.1 Source data | | | | | | |
| 3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions, particularly: | | | | | | |
| a. adequate survey, proper instruction, representative sampling, adequate response rate that take account of indicator-specific conditions, and/or | | | x | | | Compilers make efforts to ensure soundness of their data collection methods, but, in some countries, sample size may be too small for some industry/stratum because of non-response and attrition. Sample design is periodically revised to incorporate the new characteristics of the economy. |
| b. official publications by national statistical agencies or international organizations | x | | | | | Not applicable. |
| 3.1.2 Source data reasonably approximate the definitions, scope, and classifications that are relevant for the indicator | | | x | | | Source data are reasonable proxies of relevant data. However, the opinion-based questions and responses may create variances that impact cross-country and intertemporal comparability. |
| 3.1.3 Source data are timely available for inclusion in the indicator compilation | | | x | | | Some source data are likely to be outdated, given the survey is conducted every three-four years. |
| 3.2 Statistical techniques | | | | | | |
| 3.2.1 Indicator compilation employs sound statistical techniques to deal with data sources | | x | | | | The methodological note explains statistical techniques used in the compilation. |
| 3.3 Revision studies | | | | | | |
| 3.3.1 Studies and analyses of revisions and/or updates are carried out and used internally to inform statistical processes | | | | | x | While some surveys are conducted with other agencies, there is no publicly available information on whether studies and analysis are used to inform statistical processes. |

## Enterprise Surveys:
## Application of the IMF Data Quality Assessment Framework (DQAF)
## (concluded)

| Element | According to information made available by the compiler | | | | | Comments |
|---|---|---|---|---|---|---|
| | Not Applicable | Practice Observed | Practice Partially Observed | Practice Not Observed | Not Able to Assess | |
| **4. Accessibility** | | | | | | |
| 4.1 Data accessibility | | | | | | |
| 4.1.1 Indicators are presented in a way that facilitates proper interpretation and meaningful comparisons | | x | | | | Uniform universe, uniform methodology of implementation, and a core questionnaire are the basis of the Global methodology under which most Enterprise Surveys have been implemented since 2006. All surveys have country-specific questions; therefore, the aggregated dataset across countries does not include these country-specific questions. |
| 4.1.2 Indicators are made available to all users at the same time | | x | | | | Indicators are disseminated to the public. |
| 4.1.3 Indicators not routinely disseminated are made available upon request | | x | | | | To access the complete micro-datasets, registration with the Enterprise Analysis Unit is needed. Users of this data are required to comply with confidentiality clauses in accordance with World Bank rules governing "strictly confidential" information. |
| 4.2 Metadata accessibility | | | | | | |
| 4.2.1 Documentation on concepts, scope, classifications, data sources, methodology, and statistical techniques is available, and differences from (internationally) accepted standards, if available, or good practices are annotated | | x | | | | A methodology note is made publicly available on the website. |
| 4.3 Assistance to users | | | | | | |
| 4.3.1 Contact points are publicized | | x | | | | enterprisesurveys@worldbank.org |