



Executive Board Minutes 22/25-2

March 14, 2022–2:30 p.m.

Review of Data Provision to the Fund for Surveillance Purposes

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Staff: Rendak, LEG; Tumbarello, STA; Sommer, SPR

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CEDA OGADA
Secretary

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¹ Minutes are the official record of a formal Board meeting in which the Board may adopt decisions and reach understandings related to the business of the Fund. Staff background documents issued before the meeting are the principal basis for the meeting. Preliminary “gray” or “buff” statements by Executive Directors and staff’s responses to Directors’ technical questions are circulated prior to the meeting. Adopted decisions and/or summings up—the Chair’s “sense of the meeting” or policy conclusions/recommendations—are issued after the meeting. The minutes include all these elements, as well as the discussion record (a verbatim transcript of the discussion lightly edited for clarity). Minutes are made public consistent with the IMF’s Open Archives Policy.

THE ACTING CHAIR'S SUMMING UP

Executive Directors welcomed the opportunity to take stock of the experience with Data Provision to the Fund for Surveillance Purposes since the last review completed in 2012. They also considered proposals for expanding the perimeter of mandatory data provision, introducing a more structured and transparent assessment of data adequacy for surveillance, and addressing outdated data requirements.

Directors agreed that the data provision framework under Article VIII, Section 5, of the Articles of Agreement has fostered close collaboration between the Fund and its members, promoting the production of key macroeconomic data since the last review, including through capacity development activities. They welcomed that virtually all Fund members continued to provide to the Fund most required indicators, even during the pandemic. Directors also appreciated that Fund members generally provide far more data to the Fund than required under the mandatory framework.

Directors agreed that adapting the perimeter of mandatory data provision to the evolving global economy is crucial for keeping Fund surveillance effective, considering that the list of mandatory data series was last updated in 2004. Drawing on the priorities identified in the 2021 Comprehensive Surveillance Review, Directors agreed on the need to update the overall envelope of data provision in the areas of public sector and macrofinancial indicators. They also broadly supported requiring more data on foreign exchange interventions, while seeking greater clarifications, with many Directors expressing reservations and asking for more flexibility. Directors welcomed that most Fund members already provide indicators in these three areas voluntarily and considered that addressing the remaining data needs in the mandatory framework would ensure an evenhanded and more effective surveillance and improve the Fund's policy advice.

Directors broadly agreed with the proposal to expand the mandatory provision of public sector data as proposed in the staff paper, although some specific reservations were raised. Some Directors indicated that they need more time to verify the feasibility of providing some of the proposed public sector data given domestic standards and legal constraints. A few Directors asked for more flexibility in the scope of general government, taking country-specific circumstances into account. A few other Directors had reservations about making mandatory the provision of data on non-financial public corporations.

Directors agreed with the proposal to expand macrofinancial data requirements for all member countries, as proposed in the staff paper. They generally agreed that members designated as having systemically important financial sectors should provide to the Fund a larger set of macrofinancial indicators, as also outlined in the staff paper.

While many Directors agreed with the proposal to expand the mandatory provision of data on foreign exchange interventions and some other central bank transactions, as outlined in the staff paper, many other Directors expressed reservations. Most Directors noted that

these data can be market sensitive; and a number of Directors considered that disclosing this information, including due to any leakage or data breach, could undermine the authorities' policy implementation. In this context, Directors agreed on the need for the utmost caution to preserve data confidentiality when members so desire and for having in place adequate safeguards to protect data confidentiality. A few Directors recommended reducing the frequency of data provision and increasing the reporting lag, while a few others preferred using a narrow definition for data on foreign exchange interventions. Some Directors favored relying on a voluntary approach for the provision of these data. A few Directors considered that the provision of data on the use of swap and repo transactions among central banks should not be required.

Many Directors agreed with the transition periods outlined in the staff paper for introducing the proposed new requirements, which should help Fund members tackle competing priorities. Many other Directors, however, stressed the need for flexibility and longer transition periods, noting domestic institutional and legal constraints and limitations imposed by the pandemic.

Directors agreed that effective surveillance requires a more structured and transparent assessment of data adequacy for surveillance. Accordingly, they endorsed the introduction of a new, principles-based approach, noting that this strengthened framework will facilitate policy dialogue with the authorities and improve prioritization of capacity development efforts by more clearly identifying areas where data need to be improved.

Directors reiterated that periodicity and timeliness of data provision should remain guided by the Fund's surveillance needs. They noted that the current framework, where information can be provided according to country-specific understandings between staff and the authorities, is geared toward supporting bilateral and multilateral surveillance. Directors agreed that in the absence of country-specific understandings, general understandings drawn from internationally accepted practices, including the IMF Data Standards Initiatives (DSI), should be used. They also reiterated that under certain conditions, the data provision framework allows for flexibility on the specific definitions of indicators, considering that member-specific circumstances, including capacity constraints, can make alternative definitions appropriate.

Directors agreed that some of the minimum required indicators listed under Article VIII, Section 5, of the Articles of Agreement and specified in Annex III of the staff paper have become outdated, owing to methodological improvements and longer-term trends in the global economy. While recognizing that an amendment to the Articles could help modernize the data provision framework, Directors agreed to maintain the Fund's long-standing practice of not applying the existing remedial framework to members not providing the data required under Article VIII, Section 5 that the Fund considers outdated.

Directors underscored the importance of taking careful account of country capacity and the constraints imposed by the pandemic when further refining the proposed reforms. They also emphasized the importance of continued outreach to Fund members, including provision of tailored capacity development assistance to those countries where data provision capacity is constrained. Directors stressed the need for continued collaboration on data and statistics with other international organizations. Noting that the review would not expand the perimeter of required data to sustainability indicators, Directors recommended working with other international organizations to gather data on climate change, inequality, and digitalization.

In sum, Directors agreed with the new principles-based approach for assessing data adequacy for surveillance, the approach to outdated macroeconomic indicators, and the enhanced data provision of macrofinancial indicators. At the same time, they concurred on the need to iron out with their national authorities the remaining specific issues in the proposals on data on public sector, foreign exchange interventions, and central bank swaps and repos. Accordingly, Directors agreed to return as soon as possible to the data provision policy to conclude the review.

EXECUTIVE BOARD ATTENDANCE²

B. Li, Acting Chair

Executive Directors

C. Huh (AP)
 A. Bevilaqua (BR)
 Z. Jin (CC)

P. Jennings (CO)
 D. Palotai (EC)
 A. Buisse (FF)

S. Bhalla (IN)

T. Tanaka (JA)

A. Mozhin (RU)
 A. BinZarah (SA)
 R. Lim (ST)

Alternate Executive Directors

W. Nakunyada (AE)
 F. Sylla (AF)
 J. Corvalan (AG), Temporary

A. Guerra (CE)

A. Rieck (GR)

F. Spadafora (IT), Temporary

M. El Qorchi (MD)
 A. Alhosani (MI)
 S. Tsur (NE), Temporary
 A. Marcussen (NO)

M. Peter (SZ)
 D. Ronicle (UK)
 C. Westphal (US), Temporary

S. Bhatia, Acting Secretary
 R. Dall'Orto, Summing Up Officer
 B. Zhao / E. Mannefred, Board Operations Officers
 L. Nagy-Baker, Verbatim Reporting Officer

Also Present

Asia and Pacific Department: R. Davico, S. Panth, C. Rhee, K. Srinivasan. Communications Department: N. Ismail, I. Yackovlev Perez-Vilches. European Central Bank: R. Rueffer, S. Tordoir. European Department: R. Blavy. Institute for Capacity Development:

² For countries in each constituency, please see the Constituency Codes in the annex.

M. Erbenova, O. Kanaan, R. Nord. Information Technology Department: E. Boukherouaa, C. Parent. Legal Department: J. Ams, K. Christopherson Puh, Q. Li, Y. Liu, N. Rendak, G. Rosenberg, R. Weeks-Brown. Middle East and Central Asia Department: G. Abajyan, A. Hajdenberg, D. Kanda, L. Norton. Monetary and Capital Markets Department: U. Das, E. Loukoianova. Research Department: T. Gudmundsson. Strategy, Policy, and Review Department: M. Cerisola, M. Chamon, P. Garcia Martinez, D. Hakura, T. Koike, N. Meads, P. Morra, M. Omoev, C. Pazarbasioglu Dutz, M. Saenz Castegnaro, M. Saito, M. Sommer, F. Valencia Palau. Statistics Department: N. Braiton, L. Ducharme, L. Lusinyan, D. Marchettini, D. Ostojic, G. Quiros Romero, A. Richter, J. Rodriguez Delgado, J. Rosales, E. Ruggiero, F. Tanase, P. Tumbarello, X. Yin. Western Hemisphere Department: A. Chailloux. Executive Director: A. Andrianarivelo (AF), S. Chodos (AG), I. Mannathoko (AE), M. Mahmoud (MI), P. Moreno (CE), E. Shortino (US). Alternate Executive Director: M. Alrashed (SA), C. Amarasekara (IN), H. Azal (EC), F. Fuentes (BR), A. Grant (AP), L. Herrera (AG), C. Just (EC), M. Kashima (JA), M. Massourakis (IT), F. Mochtar (ST), R. N'Sonde (AF), F. O'Brolchain (CO), L. Palei (RU), O. Parkyn (AP), C. Roman (FF), J. Romero (CE), B. Saraiva (BR), Z. Zhang (CC). Senior Advisors to Executive Directors: H. Andrianometiana (AF), E. Cartagena (CE), M. Choueiri (MI), R. Gindrat (SZ), R. Goyal (IN), V. Grossmann-Wirth (FF), B. Jappah (AE), L. Johnson (AP), B. Lischinsky (AG), R. Mahabir (BR), L. Marek (EC), S. Naka (JA), S. Nghiem (ST), T. Nguema-Affane (AF), D. Ong (ST), C. Quagliarini (IT), J. Rojas (CE), C. Sassanpour (MD), N. Thiruvankadam (IN), R. Velloso (BR), M. Villeneuve (CO), S. Wongwaisiriwat (ST), B. Yoo (AP). Advisors to Executive Directors: Z. Abdelrahman (SA), T. Abdygulov (SZ), N. Abu Bakar (ST), F. Al-Kohlany (MI), P. Al-Riffai (MI), A. Arevalo Arroyo (CE), T. Azlan Ariff (ST), Bah, R. (AF), Dennis Bautista (ST), C. Becker (AP), S. Belhaj (MD), M. Boehme (GR), B. Boostani (MD), T. Cham (AE), T. Chrimes (UK), K. Dacharux (ST), O. Diakite (AF), J. Essuvi (AE), D. Fadhel (MI), D. Hamzah (MI), Z. Huang (CC), R. Kraavik (NO), C. Kuth (SZ), V. Lankester Campos (CE), M. Merhi (MI), R. Moral Betere (CE), L. Nankunda (AF), B. Rankin (CO), D. Shestakov (RU), B. Singh (IN), A. Tola (SZ), Y. Watanabe (JA), J. Yoo (AP), M. Law (CC), F. Lopez (CE).

DISCUSSION RECORD³

The Acting Chair (Mr. Li):

Data provision by member countries is a critical input into the IMF's surveillance activities. The data provision framework specifies the minimum data necessary for the effective discharge of the Fund's duties. The last review of the Data Provision Policy concluded in 2012, and the most recent significant update regarding data needs took place back in 2004 when the Board enlarged the set of indicators members were expected to provide to the Fund. Since then, the global economic landscape has changed significantly, which calls for another update to the overall envelope of data necessary for the Fund to effectively discharge its duties.

In addition, the policy framework itself also requires some fine-tuning, and in this regard the staff paper proposes some targeted enhancements. In particular, it proposes a new, more structured, and transparent assessment of data adequacy for surveillance and provides an avenue to address outdated data requirements written into the Articles of Agreement. We see universal support in the gray statements for these changes to the policy framework.

Turning back to the issue of additional data series required for surveillance, the Board has had an extensive dialogue on this issue over the last four years. This has included two informal engagements, a survey of country authorities, and numerous rounds of bilateral and ground outreach by staff. Much thinking has been done and progress made on how to address issues related to capacity constraints and confidentiality concerns. Staff proposals build on the data needs identified by the 2021 Comprehensive Surveillance Review (CSR) and are broadly aligned with the 10th Review of Data Standards Initiative (DSI), which we discussed in this Board two weeks ago.

Directors' reaction in gray statements suggests that we have made considerable progress in building consensus on most data series. There is near universal support for the proposals on macrofinancial indicators. There is also broad and very strong consensus for enhancing provision of the public sector data, although we see some remaining questions and reservation by a number of Directors on specific sub-items. At the same time, some significant differences in views remain on the proposal for provision of foreign exchange

³ Edited for clarity.

intervention data and the data on the use of swaps and repos between central banks.

Given strong agreement on most issues, I see significant scope for concluding this review on the basis of consensus. We may, however, not quite get there fully today. If that turns out to be the case, we should seek today to capture all the areas of agreement in a summing up and come back again to pick up on the two or three specific issues that remain outstanding at the end of our session today and hopefully to formally conclude the review sometime in the near future.

If we do have to take that route, it would be very important today to narrow down to a clearer understanding of remaining issues. An open-ended and inconclusive discussion would not be fruitful given the several rounds of discussion that have taken place already and the very large amount of staff resources this review has required so far.

Therefore, to that end, I would urge Directors to use today's meeting to provide as much clarity as possible on the specific nature of reservations on the data series where there does not yet appear to be consensus. In particular, do Directors agree that the Fund needs data on foreign exchange intervention and swaps and repos between central banks to effectively carry out its surveillance activities? If yes, how to broaden consensus and reduce differences, and what adjustments to the public sector data requirements would Directors favor?

The staff representative from the Strategy, Policy, and Review Department (Mr. Sommer):

We have addressed most of the questions raised in gray statements in writing, and following from the Chair's opening remarks, I would like to use this opportunity to go further into the specific details of the proposals given the comments Directors have made in their gray statements.

It would be perhaps worth reiterating at the very beginning that data provision to the Fund is a very cooperative framework. The framework provides a degree of flexibility with respect to specific definitions of the relevant indicators, as long as these definitions broadly follow commonly understood meanings of particular indicators and members provide adequately detailed specifications of this data. Also, there is room for country-specific understandings on the frequency and timeliness of data provision to the Fund if these satisfy the surveillance needs of the Fund. As we have discussed on

other occasions, the member countries do not need to meet the requirements right away, given the proposed transition periods and the additional safeguards related to capacity constraints. There is no hard deadline for preparing the data, but the Fund would expect from members some steady efforts to gradually enhance the data collection capacity over time.

I would like to make four more specific points.

First, as for the two proposed reforms to the data provision architecture, we are very pleased to see Directors' strong endorsement. Specifically, we see there is strong support for adopting the new and more transparent system of data adequacy assessment. We also note that Directors agree with the pragmatic strategy proposed by staff for tackling the outdated data requirements.

As a second point, we also see in the gray statements near universal support for the staff proposals for enhancing data provision of the macrofinancial data.

And then, as a third point, we welcome the Directors' strong support for the general direction of the staff proposals to enhance data provision for the public sector. This seems particularly the case for the expanded provision of data for the central government. Our reading of the gray statements is that the only possible outstanding issue might be with respect to debt data by creditor type, where the reservations we see mostly appear to be technical in nature. They are related to the credit classification of debt securities traded in financial markets, and staff has provided a written answer proposing a pragmatic solution. In any case, if we need to engage further on the central government data today, staff would be glad to follow up.

We also note that there seems to be very strong support for expanding the perimeter of data reporting to the general government level, at least in principle. Some chairs have asked whether requiring certain breakdowns for the general government or the data on the stock of the general government guaranteed debt could put an undue burden on members. Any specific guidance from Directors today on how we could better address the balance of costs and benefits in the provision of the general government data would be extremely helpful.

We also see very good support for enhancing data reporting for non-financial public corporations (NFPCs) with only a couple of Directors expressing reservations. From those Directors who support the proposal

already, we would welcome indications of how important they see such data for the work of the Fund. With regards to Directors who still see issues on providing data on non-financial public corporations, we would very much appreciate specific proposals on how their concerns could be allayed.

This brings us to the fourth and final point on the foreign exchange intervention (FXI) and swaps and repos on the central banks. Staff considers this data as crucial for both bilateral and multilateral surveillance. Staff has already streamlined the proposals significantly to address some of the reservations expressed by Directors. Reading through the gray statements, and if we subtract for a moment from reservations about some of the specific indicators, it would seem that the overall support for introducing mandatory provision of at least some FXI and swap repo data appears to be strong. Nonetheless, some chairs continue to have reservations which are primarily related to market sensitivity and confidentiality issues. And to be able to make progress, it would be important for us to better understand what approach would be acceptable to a wider range of the membership. For example, a few Directors noted that they might be more positively inclined to agree to the staff proposal if there was more flexibility on the timeliness of these data categories. A few others favored relying on a voluntary approach. A few other Directors proposed to narrow the definition of foreign exchange intervention or otherwise to rename the category as foreign exchange operations. And yet a few others considered the provision of swaps and repos data should not be required.

We very much look forward to Directors' views on these issues, including from those constituencies that have already expressed support for the current set of staff proposals. Just to summarize, much progress has been made, and we look forward to hearing from Directors on how the remaining differences in views could be overcome constructively.

Mr. Buisse:

I have issued a gray statement and will only make a very focused set of remarks.

I would like to start by making clear that we strongly support the role and regular review of the DPF and consider fully appropriate to update the framework, as well as to expand mandatory categories as needed to ensure adequate IMF surveillance. We support the new framework for the assessment of data adequacy for surveillance and welcome the extensive underlying work conducted by staff through survey and pilot exercises. Having said that and as

having discussed bilaterally with staff, and as Chair mentioned in the opening remarks and Mr. Sommer too, some more work is needed in our review regarding some very specific issues on the new data provision categories. This is especially the case for some aspects of the foreign exchange (FX) intervention subcategories. We got the feedback that on our side, the European Central Bank (ECB) still needs to formally check the proposed definition of FX intervention, as well as the breakdowns by type of instrument employed in the context of FX interventions. On this a decision by ECB and the Eurosystem making bodies is probably needed, and it might be useful to take a little bit of time to iron out and finalize the further work on the details of the new FX category.

On the public sector data, there could also be some residual issues, and as also as was mentioned on some decomposition especially on the creditor types. There again there are some legal issues that could be ironed out with a little bit more time. I really welcome the pragmatic approach which was mentioned in the answer to our question, and it is a good way forward.

To conclude, this Board has a very good occasion to have a discussion on these very important issues. As was mentioned, we can agree on lots of things today, but we need a second step for the decision on the details of these FX and public sector indicators to allow a little bit more time to fine-tune these categories. Of course, we should move ahead as swiftly as possible but also ensuring that everybody is on board to ensure effective and consistent implementation because at the end of the day, that is what we need. If we put things on paper that people cannot deliver, then it is not a success. In line with the Chair's intervention and Mr. Sommer's proposal, we can agree with lots of things and then find the right process to fine-tune those very specific issues.

The Acting Chair (Mr. Li):

We will be working hard on remaining significant difference, but we do see a lot of agreement on a lot of the items today. That is why we feel confident enough to bring to the formal discussion for today.

Mr. Ronicle:

We issued a detailed gray statement, but given the diversity of views between chairs, it was worth grasping the key elements of our position clearly. We are ready to approve all the proposed decisions today for three broad reasons.

First, staff consulted the Board extensively on these changes. This meeting is the culmination of work we initiated in 2018 with the data and statistics strategy. This is the third engagement on the data provision for the Fund review over the course of three years, and these papers have been with us for a month. Two weeks ago, we had a useful and related discussion on the 10th Review of Data Dissemination Standards.

Second, the variables that staff are proposing on public finances, foreign exchange intervention, and macrofinancial indicators are all ones that we the Board have already agreed are required for Fund surveillance. As staff say in the paper, as the global economy changes, so surveillance needs to change, and so data provision needs to change. The Board has endorsed that view and requested this range of new indicators through the Debt Limits Policy (DLP) review, through the review of debt sustainability allowances in market access countries, and through the Comprehensive Surveillance Review (CSR), and through the earlier engagements of this review.

Third, even for the UK with a well-classed National Statistical Institute and extensive resources, it will not be straightforward to produce these new data; but following useful discussions with staff, we are confident that the process will accommodate reasonable delays even after the transition period as long as the authorities are willing to make good faith efforts to deliver on their commitments. More importantly, this is a process that needs to accommodate all 190 members of the Fund. If we all asked for special treatment, we would have no useful data at all.

All of that said, we understand that some chairs feel the need for further technical consultations with staff before they can feel comfortable supporting all of today's decisions. We ourselves benefited from technical level discussions with staff, so while we would prefer to conclude this review today, we could go along with a short delay if that was the consensus of the Board subject to two conditions.

First, I think it needs to be clear that the purpose of any delay would not be to revise the series that are required, only to have a little time for consultation. Given that, we would not expect the proposed decision to change. We would expect to see it brought to the Board on a lapse-of-time basis.

Second, we expect any delay to be short, and we certainly expect to conclude this review before the Spring Meetings.

Mr. Tanaka:

The data provision to the Fund framework has provided essential information for the Fund's surveillance. We strongly support that the DPF framework continues to be appropriately modified and improved as necessary in order to enhance the quality of the Fund's surveillance and operation. To this end, as a general principle, we believe that the DPF review should proceed with broader consensus among some member countries by avoiding one-size-fits-all due to the nature of monitoring. Given varying situations in many countries, we would fully support Mr. Buisse's remarks. It should be better not to make a Board decision at this juncture but to continue to discuss with additional sufficient consultation period regarding the new data provision categories on central bank swap, repo transaction, and public sector data.

We would like to continue to support the staff's efforts through constructive dialogues about what data would be more appropriate and instrumental to deliver effective surveillance. We would promote to enhance debt transparency and collect creditors' data for indebted countries, which has become even more crucial in terms of gauging debt sustainability under the rapid deterioration of public finances in the wake of the pandemic. In particular, the proposal that countries with bilateral and multilateral official creditors ratio exceeding 20 percent submit individual names of individual multilateral and official bilateral creditors to the Fund is particularly important, as it is an effective proposal covering 95 percent of countries subject to the DSSI. In this sense, we support efforts to require submission of debt data to the Fund by targeted countries where it is necessary. Although data preparation entails capacity issues, the IMF should actively support low-income countries through D4D to enable them to meet proposed items. Japan would commit to supporting statistical development for those countries.

As regards to the new data provision of public debt in addition to debt decompositions by government bondholders, there is room for further discussion. General and central bank data might be considered as a mandatory to submit either central or general government data and treat either on an encouraged basis in the case where the staff considers that the purpose of the surveillance can be generally achieved by submitting only other data.

Secondly, regarding the forex intervention, in general we strongly support the staff proposal, as it is quite for the Fund to have a comprehensive understanding of the actual situation of forex in light of core mandate. On the other hand, we consider that the data on central banks swaps and repo transactions that are conducted to provide liquidity for financial stability

purpose should not be included in the requirement. We would like to continue to discuss with staff on this matter as well.

Mr. Nakunyada:

We consider accurate, comprehensive and timely data as indispensable in the effective execution of the Fund surveillance and crisis prevention mandates. Continued efforts to ensure uniformity and consistency in data provision to the Fund remains critical, even as data needs have continued to evolve, including in the current pandemic context. We issued a statement in which we broadly support the staff proposals and would like to emphasize the following points.

First, we welcome improvements in data provision by Fund members and the instrumental role played by Fund capacity development (CD) and the data dissemination initiatives to support consistent data provision. Importantly, our authorities appreciate the donor-supported CD that helped improve data quality in LICs and fragile states.

Second, we support the proposed deployment of a structured assessment of data adequacy as important to enhance the credibility of Fund surveillance. We also welcome the flexibility of the new framework to adapt to changing surveillance and CD priorities. Moreover, we welcome inclusion of the fourth category that should help unpack data weaknesses that may undermine surveillance efforts.

Third, we support the proposed perimeter of the new mandatory data provision to help close the remaining data gaps considering that many countries were already providing such data. We see merit in the first approach considering capacity constraints in many of our countries. This highlights the need to consider country-specific capacity needs while striving to optimize incremental gains made thus far. Further, flexible and feasible timelines remain critical to facilitate an orderly transition while consolidating hard-won gains already made in data provision.

Finally, we appreciate staff's efforts to simplify FX intervention data but stress the need for strict adherence to appropriate safeguards in handling market-sensitive and confidential information.

Mr. Palotai:

We broadly support the proposed enhanced data provision for the Fund for public and macrofinancial sectors. Mr. Huh rightly noted in his gray statement that in the context of the rising fiscal vulnerabilities, a more comprehensive public sector data reporting is needed to beef up the Fund's capacity to assess the country's fiscal space. More granular financial sector reporting is also critical, in particular to better understand the intersectoral, government and cross-border exposures, as well as to enhance the Fund's advice on appropriate supervisory action to keep potential contagion channels in check. However, we are very cautious about staff's proposal to broaden foreign exchange intervention data reporting. Like Ms. Marcussen, we note that the diversity of central banks' institutional frameworks may pose challenges in this regard.

In the current environment of heightened economic uncertainty, protecting the effectiveness and flexibility of FX intervention operations will be pivotal going forward, not least to support monetary stability. Some Directors also rightly underscored the risk of data misinterpretation, which would undermine the authorities' policy actions conducted for objectives unrelated to the exchange rate regime, such as safeguarding financial stability.

More specifically on currency unions, we share Mr. Buisse's point that the provision of data on transactions between central banks, such as through swap lines, should be treated as confidential given that the link to country surveillance objectives is unclear and legal impediments could hinder disclosure. We support his proposal to postpone the decision of the details of the indicators for these categories. In this context, we also share Mr. Tanaka's point that disclosing information on such transactions might give rise to unnecessary market speculation.

Finally, we would like to stress again that resource implications, especially for smaller countries, can be significant, not least due to having to compile a consistent set of data from differing data sources, and therefore we deem that the transition period of three years may be perhaps difficult to meet. We stress that the future new data requirements should be embedded into already existing transmission formats, which would reduce resource requirements somewhat. Nevertheless, we look forward to further engagement with staff and Directors on this very important review.

Mr. Bevilaqua:

Our Chair reiterates its long standing support to Fund's initiatives to improve data production and transparency, while stimulating countries to adhere to higher data standards and develop their capacity as needed.

When talking about data provision for surveillance purposes, comprehensive, accurate and timely data are of vital importance. I am glad that the new mandatory data requirement lies squarely within the traditional core mandate of the Fund. Such enhancement in data provision requirements is a major undertaking for many of our member countries and we should retain the focus on what is absolutely critical and within the realm of the agencies that traditionally deal with the Fund.

That said, differently from the DSI data standards initiatives, which are voluntary, here we are talking about data provision to be required under the Articles of Agreement. Therefore, as we step up data requirements, we should balance the surveillance needs with the capacity and the potential burden on member countries. This is especially relevant for smaller or less developed members or countries in fragile situation; so, we should remain mindful not to take a step that could unintentionally deepen fragmentation within the membership, risking leaving some of our members behind. Of course, capacity development will be a key piece of this effort to help countries climb up the ladder.

I appreciate the proposal of a transition period for expanding the perimeter of data requirement. However, a more flexible timeframe would certainly facilitate this transition, including because central banks and statistical agencies may be overwhelmed with other priority tasks. Even if we consider 3 years a somewhat reasonable timeframe (which has been proposed for most new public sector data), it may still be on the optimistic side for a significant number of members. In addition, it would probably imply that those countries that are not yet in a position to produce the data should start to work immediately on it and give priority over and above whatever their plans of statistical enhancement were.

Finally, considering the number of data collection frameworks and initiatives from different multilateral institutions that central banks and treasuries of member countries must comply with, their integration is paramount. In the surveys, countries pointed to the need to increase staff, financial resources, IT resources and capacity building to comply with the

new requirements. Therefore, we encourage renewed efforts to ensure synergy and consistency among the different data frameworks and initiatives.

Mr. Sylla:

I would like to make four comments for emphasis. First, it is essential that new mandatory data requirements be measured and do not constitute an additional burden for national authorities. In this regard, we appreciate the efforts made to take into account this concern and focus the review on the most urgent areas for improvement.

Second, we support the improved data adequacy assessment framework, which should enhance objectivity. We agree that an explicit elaboration of the rationale for reaching a given classification will be helpful in this regard.

Third, with the resource constraints, we see merit in postponing the refinement of the framework for dealing with cases of inadequate and seriously delayed data. Regarding outdated data requirements, we support maintaining the Fund's longstanding practice of not applying remedial measures to members not providing updated data series given the time needed to build consensus around an amendment of the Fund Articles of Agreement.

Finally, regarding the broadening of mandatory macrofinancial data series, we stress the need to give sufficient transition periods for countries to adapt to the new requirements. We support the proposed approach to gradually phase in the new requirement and target some requirements only to a subset of countries when some data are only relevant to these countries, consistent with what Mr. Tanaka characterized by not following one-size-fits-all approach.

We encourage continued dialogue with authorities to determine the availability and the provision of data and set of priorities for capacity development. On this last point, like Mr. Nakunyada, we appreciate the instrumental role played by CD support. We look forward to further enhancement in this domain.

The Acting Chair (Mr. Li):

We certainly are taking Mr. Sylla and a number of Directors' points on the importance of CD. It is a focus area for our CD activities for years to come. We also agree with Mr. Sylla, Mr. Tanaka, and other Directors that we

should not use a one-size-fits-all approach. That is why our staff has been working very hard in the last several years to try to find a proper balance between the needs and the development of supply side, how to make them match. We appreciate Directors' support.

Ms. Rieck:

The quality of data provided to the Fund is the basis for all surveillance activities and hence the effectiveness of the Fund's policy advice. This review therefore concerns the essence of core IMF functions, and it is paramount to advance transparency and to close existing data gaps.

We strongly support the objectives of the review. There is just one point I need to emphasize. As also noted in our gray statement and just now by Mr. Buisse, Mr. Tanaka, and Mr. Palotai, the proposal still contains some technical issues that need to be clarified before finalizing this review. We agree with Mr. Buisse's proposal to postpone the decision on the details on the indicators for FX interventions and public debt data. We want to ensure that a decision in this Board reflects a full commitment to and feasibility of the obligations we agree on. We are prepared to conclude on these details as soon as staff and the competent authorities in member countries have been able to develop a pragmatic solution for implementing the enhanced data standards.

Mr. Huh:

We welcome the timely review of data provision to the Fund and broadly support the proposal. As we issued a comprehensive gray statement, I would like to highlight some points for emphasis today.

First, on the Fund support to strengthen countries' statistical capacity in the course of implementation, some countries have difficulty in implementing data provision requirements mainly due to legal and institutional constraints, or it could take considerable time and cost to build their capacity. In this regard, the proposed transition period is inevitable to mitigate the burden of authorities, as Mr. Bevilaqua and Mr. Sylla noted. Also, like Mr. Tanaka and Ms. Lim and Ms. Jennings in their gray statements, such period needs to be flexible, depending on country-specific circumstances. We encourage staff with sufficient Board support to provide the tailored CD and TA in response to countries' increased data gap in the course of its implementation.

Second, on the FX intervention data requirements, although we can go along with these requirements, we sympathize with many chairs who expressed concern over the risk to market sensitivity and the confidentiality. Further efforts seem to be required to assure those members before making FX intervention data mandatory. In addition, we prefer a narrower definition of FX intervention which limits the scope of data to the transactions intended to affect FX rate. However, staff's written answer hardly convinced us, as the proposed broad definition could misinterpret the FX authorities' intention and create unnecessary room for dispute with country authorities' surveillance. Also, we would like to urge it is data to be renamed as FX operations instead of controversial term FX intervention. Staff comments are welcome.

Ms. Lim:

The importance of having high-quality data for surveillance cannot be overstated in a highly uncertain environment. As we issued a comprehensive gray statement, allow me to share four points for emphasis.

First, a more general point to underscore the need to maintain flexibility and be highly attuned to country-specific circumstances in application of the DPF. We encourage staff to engage closely with the authorities to fully understand their concerns, including constraints such as limitations in statistical capacity, information security risks, institutional and legal challenges, and policy and operational frameworks. With a pragmatic approach, especially on assessing data adequacy and allowing flexibility in the way data is shared, we are confident that staff can arrive at a mutually beneficial understanding with country authorities to advise the surveillance objectives.

Second, we continue to have concerns about the requirement for confidential and market-sensitive FXI data, as other Directors raised in their grays. We support Directors' calls for more flexibility in the provision of FXI data, including a more gradual, consultative, and consensual approach, and considering voluntary provision, as Mr. Huh mentioned. We take the view that alternative and proxy data can be used to achieve the same surveillance objectives. Where FXI data is crucial, it can be done on an as-needed basis along with adjustments to the periodicity and timeliness to help allay authorities' concerns about the transmission of confidential data.

Third, sharing the same view as Mr. Peter, we would like to have more clarity and concrete modality to share confidential data with the Executive Board. We appreciate the safeguards have been carefully put in place but

prefer a strictly guided approach and that the process be accompanied by clear supplementary guidelines requiring strong and valid reasons behind Executive Directors' request for certain confidential data.

Fourth, we support calls from several Directors for a more flexible transition period taking into account country-specific challenges. We think the transition period of one year for FXI and macrofinancial data is too ambitious when considering potential legal and institutional constraints, as well as the possible need for the Fund's technical assistance (TA) to develop statistical capabilities. These challenges can be even more pronounced for low-income countries and fragile and conflict-affected states.

In conclusion, on next steps, we share the suggestion by Mr. Buisse, Mr. Tanaka, Mr. Palotai, and Ms. Rieck to take some time to iron out the remaining reservations; and like Mr. Ronicle, we are prepared for staff to come back to the Board on an LOT basis so as not to unnecessarily lengthen the process.

The Acting Chair (Mr. Li):

What I would suggest, and also for our other Directors, is that we potentially come up with specific proposals in terms of how to modify the existing proposal, especially on FXI data, and to make it more acceptable to everyone involved in the hope that we can reach some consensus, that we can broaden our consensus hopefully in the near future; and I think most Directors want to complete this review as early as possible. Any constructive proposals or suggestions on this FXI and other potential area of debate would be appreciated.

Mr. El Qorchi:

We attach great importance to improving the Fund's analytical and surveillance work and believe the availability of quality data is essential in that regard. Therefore, we welcome this timely review of data provision to the Fund for surveillance purposes. We are pleased to note that most Fund members already provide on a voluntary basis much more data than the new mandatory requirement. This demonstrates that staff cooperation and active engagement with authorities, complemented by appropriate CD, can be effective in addressing weaknesses and further improving data provision to the Fund. I could not agree more with Mr. Ronicle in his gray statement that success in obtaining appropriate and high-quality data from the membership depends on staff maintaining a collaborative, well-integrated, and proactive

approach to engaging with the authorities. For this reason, the concerns expressed by many Directors on some specific points do not bode well for a positive reaction by many authorities to certain requirements and risk tainting the spirit of cooperation between the authorities and staff.

In particular, and like many Directors, Ms. Lim, Mr. Palotai, and many others, we are skeptical about mandating FXI data at this stage and caution against coercion as *modus operandi* on such a sensitive issue, which may prove counterproductive in the end. We favor staying on the path of cooperation and continuing dialogue between staff and the authorities on this matter to allay their legitimate concerns and bring more members to provide this data on a voluntary basis.

Second, the proposed transition period may prove challenging for many country members, particularly those with limited capacity, as well as those that need time and support to meet the new requirements. We echo many Directors in their call for greater flexibility in implementing the new framework and support Ms. Rieck's proposal to extend the transition period to the new indicators.

Finally, while we commend donors for their support of the Fund's CD delivery, we stress the importance of strengthening the Fund's own resources dedicated to this key activity, and like Mr. Guerra, we call for additional resources for IMF 1 to ensure stable and predictable funding for the growing CD needs by the membership, including on statistical and data reporting requirements.

Mr. Spadafora:

We expressed our views in the gray statement, so I will be very brief. We can support the proposals, the two-step approach proposed by Mr. Buisse because as we said in our gray statement, there is some fine-tuning to be assessed within the Eurosystem. It is important to broaden the consensus as much as possible, so we look forward to concrete proposals by staff on how to overcome these remaining differences.

Mr. Jennings:

After our people, the data collected by the Fund is the greatest asset we have, and it is the backbone of our surveillance work. That is why we are very supportive of the proposals to update the data provision framework. The CSR found some clear gaps in the IMF's data, and it is important to fill them in

order to ensure evenhandedness and to reduce blind spots in key areas, including public sector data, data on foreign exchange intervention, and indicators for macrofinancial analysis.

Like many others, my authorities are still working to figure out which new requirements will be able to be met immediately and which they will still need to work on. It will be very important to provide flexibility to countries in the implementation of these new requirements and especially to those countries facing capacity constraints, such as small states. As an example, in the Central Statistics Office of Dominica, only two officers are responsible for preparing the balance of payments and national accounts statistics.

In that vein and similar to comments made by Mr. Bevilaqua, Mr. Sylla, Mr. Nakunyada, and Mr. El Qorchi and others, it will be very important to provide capacity development where needed. Given the transition periods and flexibility built into the proposals, we are comfortable moving ahead with the proposals now. However, as proposed by a number of other chairs, we would support a short postponement to some of the decisions to allow time to iron out some of the details in order to reach a broader consensus.

Ms. Marcussen:

We find the data provision trend since the last review very encouraging, and we very much appreciate staff's ambition in this review. We find the work incredibly important to ensure high-quality macroeconomic and financial sector surveillance; therefore, addressing data gaps in all three categories—public sector debt, foreign exchange intervention, and macrofinancial—is critical, and we broadly agree with the proposed indicators. We appreciate that the proposals strike a balance between the Fund's surveillance needs and confidentiality concerns, and we take positive note of the Fund's confidentiality framework.

As Mr. Buisse, Mr. Tanaka and others, we note that some technical work is still required on the provision of specific foreign exchange and public debt data, and we stand ready to continue to engage with staff to work to resolve these issues in a timely manner. We very much welcome efforts to better prioritize and enhance the effectiveness of capacity development efforts. This will facilitate the ability to provide essential data, and this is especially so in low-income countries and fragile and conflict-affected states.

Finally, we acknowledge that further work is needed before including sustainability indicators in the perimeter of the DPF. However, we highlight the need to monitor sustainability trends as identified in the CSR. This includes both on climate change, inequality, and gender, technological change, and geopolitical developments. We encourage staff to consider whether expanding this perimeter could be justified ahead of the next review.

Mr. Guerra:

Let me just say that we agree with the proposal to expand the perimeter of required data provision on public sector, foreign exchange intervention, macrofinancial data, and believe that for this provision of new data, it will be very important—and this is my major point—to help small, middle-income, and low-income countries to support for a gradual plan of implementation. This will be instrumental that the IMF continues with a dialogue with the authorities to ensure that the new data requirements are fully understood, and sufficient institutional capacity is in place. In particular, in our gray statement, we stress the importance that in order to have an effective feedback loop between surveillance and capacity development, a specific policy should be developed. In this regard, we thank staff for their detailed answer to our question, and we take note that in cases where data adequacy, where data for surveillance is assessed as weak, then the mission team will discuss with the authorities the data gaps, the specific data gaps, agree on a CD agenda, and then coordinate with STA so that they can deliver the additional and corresponding TA missions and then report to country teams how these missions have evolved. We have to put specific measures to ensure that this is the case.

Let me also state that while supporting the proposed transition periods for the new data, we highlight that this assumes a comprehensive and timely support to member countries. The IMF should have adequate resources to address this demand for CD coming from the new data requirements. In this regard, we also, as Mr. El Qorchi has stated, make emphasis on the need that there are sufficient resources to attend the demand for CD, specifically for low-income and middle-income countries, to be met in a timely manner. If we want to deliver and we are going to ask the authorities to deliver in a timely manner and with some temporal objectives, we have to deliver also, so we will not expect that in the future our authorities will be turned down when they request CD in a timely manner.

My second and last point is that in our gray statement, we express that if data gaps are to be reduced in an effective manner, the IMF should engage

proactively in a cooperative approach and take into consideration the authorities' specific concerns. Following this guidance, we support Mr. Buisse and other Directors' call for a detailed review to deal with the remaining specific reservations on the FXI and public sector data that they have. We would also expect that this should be done in a timely manner and should not take long, and we expect that after having this increased availability of data, this should be reflected in additional analysis on a topic that is of great importance to the IMF mandate.

The Acting Chair (Mr. Li):

We very much agree with Mr. Guerra that we should establish a very positive feedback loop between CD and surveillance, and we will be continuing to work on that with the Board's support and guidance.

Mr. Tsur:

We see data provision for surveillance as a key issue in the daily work of the Fund. We issued a supportive gray statement, and today I would like to make three additional points.

First, we support the proposal to postpone the decision on the details of some of the FXI and public sector data indicators given that more work is needed to fine-tune them. We associate ourselves with the position that Mr. Buisse and other Directors expressed today in their interventions. Relatedly, like Mr. Palotai, we echo Ms. Marcussen's point in the gray statement that the diversity of central banks' institutional framework may pose challenges to standardize provision of FXI data.

Second, we broadly welcome the expansion of debt data and its decompositions given rising debt levels and increasing debt vulnerabilities. While we understand that capacity constraints have convinced staff to label data on collateralized debt as encouraged, rather than mandatory, we call on staff to put extra focus on improving the capacities of countries on this front. The use of collateral often has a negative impact on low-capacity countries. I would like to ask staff if there are plans to expand the mandatory coverage of collateralized debt.

Third and finally, we would like to encourage staff to keep a close eye on cases where confidentiality clauses are hampering provision of data to the Fund. Can staff indicate how often it encounters issues in the provision of data

due to confidentiality clauses and why in those cases the confidentiality framework that is in place does not provide sufficient protection?

Mr. Westphal:

We issued a comprehensive gray statement; I will limit my remarks to a few points for emphasis. We welcome that staff have taken an ambitious approach toward the data necessary to conduct regular surveillance. We strongly agree with staff that in order for the Fund to conduct robust surveillance, staff will need broader data of public sector debt, FX intervention, and macrofinancial indicators. A few quick points.

First, in particular with rising debt levels, which are likely to be exacerbated by the current crisis and greater complexity of public debt instruments, it is critical for staff to have a robust understanding of potential risks and spillovers that could arise from increasingly complicated government balance sheets, and in many cases detailed data of general government debt can help staff to see this whole picture.

On FXI data, we have long been clear that FXI data is key for assessing balance of payments stability, external sector more generally, and, in turn, exchange rate misalignment. Further, the majority of members already provide this data. I would also flag that it is even more important for members with currencies in the SDR basket to publish this FXI data to enable smooth functioning of Fund operations, which is an expectation of SDR basket participants. We also strongly welcome staff's efforts to deepen their analysis of macrofinancial issues in support of the Fund's enhanced surveillance on this topic, which we all agree is critical to the Fund's mandate.

With regard to the specific decisions today, I agree with staff that many of the data categories to which we all agree should be added to the Fund's framework, and we should finalize the discussion on those categories today. At the same time, we agree that certain categories of data need additional refinement, particularly a few of the data points for public sector data at the general government level.

Finally, we look forward to enhancing the alignment between the data provision to the Fund workstream and the DSI in the 11th review in 2025.

Mr. Jin:

We welcome this timely review. We believe the data provision to the Fund should follow a principle-based approach, and any new data requirements should meet appropriate conditions such as first the data should be necessary for Fund's legitimate surveillance. Second, the framework should be evenhanded across countries, and third, the whole process should allow some flexibility.

On foreign exchange intervention, we associate ourselves with Ms. Lim, Mr. Palotai, and some other Directors on market sensitivity concern. We join Mr. Palei and Mr. El Qorchi to suggest moving this to a voluntary list. A differentiated approach may be appropriate in requiring reporting FXI. For those countries with fixed or managed exchange rate, and the intervention is part of the rules implied by their choice of exchange rate regime, the Fund surveillance should focus on whether the exchange rate is appropriate, rather than whether the foreign exchange intervention is appropriate. Even if the Fund is interested in the appropriateness of FXI, it can be handled by examining the evolution of balance of payments position and other less sensitive indicators. What member countries are required to provide under the existing data reporting framework seems to be sufficient to serve the surveillance purpose. I prefer to define the FXI in a narrow sense and exclude data of swaps and repurchase transactions between central banks.

On public sector data, it is important to reach a common understanding on the scope of general government between staff and the authorities. Member countries' explicit legislation should be respected. Staff should avoid overextending the scope of the general government debt by assuming governments' implicit guarantee for the debt issued by independent state-owned enterprises (SOEs) because this is purely perception based. We are concerned that staff's broader scope could send out wrong signals that some like government would bear the responsibility of these wider liabilities. From another perspective, if a broader scope is considered necessary, the coverage should be extended to other more critical contingent liabilities, such as funding gap in pension and public healthcare system to ensure a truly comprehensive coverage.

The Acting Chair (Mr. Li):

We welcome more concrete and specific proposal in the less agreeable area, including FXI. We welcome in the next round of engagement with staff,

I hope our Directors can think about specific proposals that can increase the consensus that can reduce the differences.

Mr. Shestakov:

We welcome the timely review of data provision for the Fund for surveillance purposes. We broadly support the proposals outlined in the staff paper with one caveat related to FXI data provision. We have issued a detailed gray statement and would like to limit ourselves to three remarks.

First, we would like to commend staff for their hard work on ensuring timely data provision for surveillance purposes. The fact that almost all members report most existing required indicators is a testament to the international cooperation and the authorities' commitment to transparency and accountability, but it also indicates effort on the part of staff on identifying data gaps and helping countries to address them with necessary capacity development and technical assistance.

Now, the list of required indicators is widened, and more efforts will be needed to ensure that all countries possess adequate capacity for collecting and reporting indicators under discussion. According to staff, the projected demand for capacity development is partly reflected in already made plans for resource allocation and partly will be satisfied with reprioritization. We encourage staff to consider a mid-period review to assess whether the capacity development efforts are successful in improving data reporting.

Second, we note that many Directors are cautious with respect to the requirement of FXI data reporting. While not all of us prefer voluntary reporting of FXI, many underline the need for appropriate safeguards, improved confidentiality framework, and possibility for longer reporting lag, while all options we are willing to consider. While extended provisions of FXI data might help the Fund to refine its policy advice, it also risks undermining policy implementation. Therefore, we encourage staff to consider requesting FXI data on as-needed basis or on voluntary basis.

Third, and finally, we support the decision not to include sustainability indicators within the perimeter of mandatory data within the current review and underline the importance of cooperation with other development partners, especially World Bank, in this regard. We take positive note on the ongoing collaboration in the areas of climate change, inequality, financial inclusion, and digitalization data provision, including in the context of the new G-20 Data Gaps Initiative. Some necessary data related to climate or inequality

might also be provided bilaterally during arrangements financed by the new, for example, Resilience and Sustainability Trust (RST). A broader message here is that the need for coordination of many competing requests for data, especially for countries with limited statistical capacity.

Mr. Corvalan:

We issued a comprehensive gray statement; I will limit my intervention to one comment. We share concerns about the scope, granularity, and definition of foreign exchange intervention data. We have apprehensions about confidentiality issues around swap transactions by the central bank with other central banks. We support that the scope of foreign exchange intervention data should be narrowed down to transactions that may affect the foreign exchange rate in a direct way, rather than transactions aimed to strengthen the liquidity position of the central bank.

Mr. Peter:

The existing framework for data provision to the Fund for surveillance purposes has helped to significantly improve data provision to the Fund for surveillance purposes. A review of the data provision framework is surely justified in light of the observed trends and vulnerabilities, especially in the landscape of debt and the growing financial interlinkages, so we have detailed our views on the specific proposals in our gray statement, and I would like to make two general points right now.

First, the proposed substantial update of data requirements needs to strike the right balance between costs and benefits. Due attention must be paid to both the benefits from additional and more detailed data to support Fund surveillance, as well as the associated costs, including through additional data collection and the necessity to safeguard confidential and market-sensitive information, as we have heard today in this Board meeting.

Appropriate transition periods and the provision of CD to members with limited data collection capacities will be necessary to reach the right cost-benefit balance, and in this context, I fully agree with Mr. Guerra and stress the need to effectively integrate surveillance and CD provision on this specific issue.

Second, like Mr. Tanaka, we believe it is important to ensure consistency between the different initiatives and frameworks. To address the additional burden of data provision for the authorities, like Mr. Bevilaqua, we

see merit in engaging with other institutions to seek better integration of data requirements frameworks. For instance, in the case of macrofinancial data, more consistency with the data requirements of the Financial Stability Board (FSB) would be warranted.

Mr. Goyal:

We have issued a detailed gray statement; I would like to make only just one point, and that relates to timeline for implementing additional data requirement. I specifically share the concerns expressed by many chairs before me.

We note that the staff has acknowledged the varied abilities of the membership to meet the data requirement, and therefore they have proposed a transition period for additional data compliance. Given the different abilities, which depend upon geographical and population size, political sector, legal provisions, and the capacity, we believe the proposed transition period may need to be customized, not just three years for all the countries, which has been described. Thus, we believe a close coordination between the IMF team and the country authorities is essential to work out the appropriate timeline and the data review. Referring to the existing practices, the staff report observes, if I may read out: “The obligation is considered met when information is provided according to country-specific understanding between the IMF country teams and the authorities.” We propose that this practice may be formalized and be followed for all the proposed data compliance.

The staff representative from the Strategy, Policy, and Review Department (Mr. Sommer):

Let me touch upon a few broad themes from a policy perspective, and then my colleagues from the Statistics and Legal Departments will address questions and comments in their areas of expertise.

There was a big-picture question about interaction of the data provision framework with any capacity limitations of our members, which would be very understandable given the overall landscape of the global economy. I would like to reassure Directors that this aspect has been very much on our mind, both on the staff level, as well as during the course of discussions with Executive Directors, and the resulting package has been tailored taking this consideration into account. When we look over the landscape of the proposals, the new data adequacy framework for assessing surveillance, it is a very sort of low-cost exercise. In terms of the specific new

data, in terms of the macrofinancial series, the vast majority of members actually do provide the data already; our sense is that the needed capacity building there would be relatively limited.

As for the foreign exchange intervention data and the data on swaps and repos, the main issue is one of market sensitivity and confidentiality, as many have noted. But nonetheless, there is no specific capacity constraint per se, which leads us to the main category of proposals, the public sector indicators where staff would expect the cost implications for the membership to be manageable overall; but many of our members are in fragile situations; they do not yet have adequate capacity to provide some of these indicators, and that in a way is handled inherently through the flexibility in the framework. As we have discussed on previous occasions, even after the expiration of the transition periods, members that cannot provide the data due to capacity constraints would be considered as having met the requirements of the Article VIII, Section 5.

There is additional flexibility in terms of the specific definitions of the variables where, again, the country circumstances and the capacity constraints and the surveillance needs are much more important than what is written in the statistical manuals. We would like to provide high-level reassurance that the data provision framework is a really collaborative framework. The track record of the framework is actually very good, and we provide some specific examples in the paper. For example, when we look back at the situation a decade ago or so, many members were not in a position to provide data on the international investment position or the general government fiscal balance; but then over time through the joint effort on the authorities' side, as well as in terms of the Fund CD, a very significant progress has been made.

We should think of these proposals today as, again, updating the framework, setting some longer-term goals, and if any given member is not able to provide the data after the expiration of the transition period, if it is for capacity constraint reasons, then it would be well understood that the data cannot be provided.

There were some specific questions on the fiscal data, and at the staff level we would be glad to continue the conversations we have already had about some of the finer nuances of the indicators, but I would again emphasize that the system is inherently flexible; if any given constituency is concerned that they cannot provide a certain composition, that is understood. The main emphasis is on the continued dialogue and the commitment to producing the data eventually.

In terms of the split between the central and general governments, here we are very much guided by the previous discussions, including at the Board level, the reviews of the MAC-DSA and the LIC DSF. As far as discussions in the context of the CSR, there has been a very high-level decision to really upgrade the framework from the central government to the general government data but also beyond to really look carefully at vulnerabilities emanating from the public sector enterprises. Our set of proposals is very much in line with that thinking, and, again, the capacity constraints can justify on a temporary basis any sort of delays in producing the necessary data.

There was also a question to what extent staff analysis should reflect country-specific legislations. I would say that is more of a policy question. We should think of the Data Provision Policy as just a tool to really collect the raw data without passing a judgment on what the data means. We see it just as the first step so that then the country teams and the Fund more broadly can then have an ongoing dialogue with the members about what the data means, how it should be interpreted, for example, what would be the appropriate perimeter of the DSA. It is not really a question we should or can discuss today, but again the data provision is really a mechanism for collecting the necessary information so that we can do the analysis and formulate policy advice.

There was also a number of comments related to the foreign exchange intervention. We take note of some of the specific suggestions made by the Directors related to the broad definition of foreign exchange intervention. There were also some comments about perhaps not including the swaps and repos in the perimeter of mandatory data provision. On these matters, we would appreciate additional feedback from Directors, including from those constituencies that are currently supporting the staff proposals. From the staff perspective, we formulated the FXI and swaps and repos proposals as a package so that there is no large gap in terms of how the external vulnerabilities and flows and policies are captured. At the staff level, we strongly believe that this data is critical for bilateral and multilateral surveillance; and at the same time, we very much look forward to additional views from the Board on these matters, as the Chair stated, with the intent of perhaps broadening the consensus.

There was also a specific question about collateralized debt. It is a variable that staff initially considered for mandatory data provision, but it was exactly one of those cases where staff shifted views after receiving the survey from the country authorities. We clearly saw in the results that a very small

portion of membership compiles this data, and it was seen as a relatively burdensome exercise. At this stage from the DPF perspective, the variable is proposed as voluntary. From a broader Fund point of view, for example, in the case of the lending operations, the Directors are aware that the Debt Limits Policy made very significant progress in this area, and the disclosure of collateralized debt under the Fund lending programs is an important component of this.

The staff representative from the Statistics Department (Ms. Tumbarello):

Let me start on collaboration. I just want to reassure the Board that the Fund collaborates with many partners on data, although on data provision, the ultimate responsibility to provide data to the Fund is the member, but collaboration takes different platforms and different forms. First, there is the collaboration in the context of the G20 Data Gaps Initiative, which is led by the IMF together with the Financial Stability Board that has been mentioned in a couple of interventions. There is the enormous amount of work that we do together with the World Bank in the context of the G20 Data Gaps Initiative many other workstreams (, but let me focus on debt because it is particularly important in this Board meeting, I just want to remind that we have joint databases: the Quarterly External Debt Statistics as well as the Quarterly Public Sector Debt Database, where the Fund collaborates closely with the Bank, first of all, in providing the methodology to countries; second, in doing the TA, and also providing the templates. This is really a process of co-creation, and the two institutions are working very well together.

There is also yet in the context of debt another initiative which is called the Joint External Debt Hub, and here we collaborate with the BIS, with the OECD, with the World Bank. I can mention many other initiatives where we do the work together. In this particular moment, we are extremely active in the updates of the statistical manuals. And as we know, the statistical manuals are an interagency effort; we cannot do this by ourselves, and there are several task forces; and certainly, the World Bank, the ECB, the BIS, the OECD, the UN are very strong partners of us on this. Also, we collaborate with the regional banks in the context of the implementation of the data standards initiatives, as also the Chair mentioned, including the African Development Bank, particularly for e-GDDS implementation.

There was a question about clarification on the new data adequacy assessment, in particular regarding the ratings and the new category that we have introduced. The modular approach of having four ratings instead of three is very important. But it would not be as meaningful if we had not designed

the questionnaire that is sitting behind this rating. This questionnaire has 32 questions. Half of them are factual. The other questions require knowing the country very well and introducing a concept of the relevance because the country team might not have certain institutional level or the economic concept associated with an indicator might not be relevant in the country. For example, I was mission chief for a country for some time that did not have a CPI beyond the urban area, and that weaknesses would not be relevant for our surveillance purposes because 90 percent of the population was living in the urban area. The knowledge of the country and the ability to understand whether that data weakness is such that impedes surveillance in the country's or not is very important.

The staff representative from the Legal Department (Ms. Rendak):

Let me take up two questions. The first question that I would address is: whether the Fund can target data requirements to countries where a given concept is relevant. Second, there was a question dealing with the confidentiality provisions. On the first question, whether it is possible for the Fund to target data requirements rather than set them for the whole membership, I would start by saying that the current proposal to expand the perimeter of mandatory data provision to the Fund is based on the authority of the Fund under Article VIII, Section 5, to require members to provide it with the data that it deems necessary for its activities, including but not limited to for surveillance. It is the Executive Board, rather than staff or management, who may require members to provide this information. This information can be provided in a decision that the Fund could adopt, which may be general and is applicable to all members or a group of members or country-specific in nature. Based on these general principles, it is legally feasible for the Fund to require mandatory provision of certain data from some countries but not others. That said, however, the exercise of this authority should be consistent with the principle of the uniformity of treatment, which requires that similarly situated countries are treated by the Fund similarly, which is not necessarily the same as to say all countries should be treated equally.

In particular with regard to asking differentiated information, such differentiated treatment should be based on the differences among the member countries which are relevant for the power that is being exercised, in this case data needs of the Fund. The good example of this approach is the current proposal, which as some Directors noted already envisages specific data requirements that would apply only to a subset of members but not all members, and it would apply only to members that have systemically important financial sectors.

Moving to the second question, the second question is how often we have issues based on confidentiality clauses that prevent or inhibit countries from providing data to the Fund, and why isn't the Fund confidentiality framework not sufficient to protect such information. Here, I would like to say that while area department teams would be better placed to advise on how often confidentiality clauses are raised as an obstacle to providing information to the Fund, which is legally required, it is our understanding, at least from what we know, that it is not often raised for information which is currently required under Article VIII Section 5, including the regional data in Article VIII, Section 5, and the 2004 decision list of mandatory data.

With respect to the proposed categories, the restrictions that we referred to in the paper may come in the form of some domestic legal restrictions or limitations on sharing information beyond a certain perimeter of maybe domestic entities or agencies or contractual restrictions on sharing information with parties outside of those who are parties to the contract. In this regard, as we explain in the paper and in the background paper, staff is of the view that the Fund's confidentiality framework for protecting confidential information is robust. However, with regard to those constraints that we are discussing, the framework is perhaps not taken into account. And as members are prepared or get geared toward providing this new required information to the Fund after the Board concludes this review, we certainly as staff stand ready to have further discussions with the authorities as to how to provide the utmost comfort to countries with respect to the safeguards that would apply to such information once it is provided to the Fund.

The Acting Chair (Mr. Li):

We thank Executive Directors for the fruitful discussion and staff for their answers. We have made a lot of progress. At the same time, it is clear that taking a decision today would be premature. We should not reopen the debate when we come back soon to conclude the data provision review on those issues we already agreed on today. In the meantime, Directors should work with staff bilaterally to find specific solutions to bridge the differences in a few remaining areas where consensus appears to be within reach. Staff will remain closely engaged with Directors' offices.

The Acting Chair (Mr. Li) adjourned the discussion.

ANNEX

- Gray Statements
- Staff's Responses to Executive Directors' Technical Questions
- Constituency Codes

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GRAY/22/723

March 9, 2022

**Statement by Mr. Nakunyada, Mr. Cham, and Mr. Essuvi on Review of Data Provision
to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the detailed reports and welcome the Review of the Data Provision to the Fund for Surveillance Purposes (DPF). This review comes at a critical juncture, when the global economic landscape is rapidly evolving, against the backdrop of COVID-19 pandemic induced complexities. We, therefore, view the adequate provision of timely macro-financial data as indispensable to support the formulation of evidence-based policies. As such, we support this DPF review, which represents an important step towards bridging attendant data gaps to further enhance the effectiveness of Fund Surveillance. More generally, we commend the staff for the extensive consultative approach and integrating the feedback from Directors. **We support the staff proposals on the perimeter of mandatory data provision, data adequacy framework, and outdated data.**

We positively note the near-universal participation of members under the DPF, which continues to anchor the Fund's surveillance work. We, therefore, commend the strong cooperation and country ownership that has seen improvements including in the voluntary submission of data under the Data Standards Initiative (DSI). Further, we appreciate the instrumental role played by CD support including in fragile and conflict affected states (FCS), small states, and low-income countries. More importantly, we commend donors for their generous support towards CD initiatives that has yielded improved participation by FCS in publishing data under the enhanced General Data Dissemination System (e-GDDS), while others are making remarkable progress across the 3 DSI tiers.

While the assessment of data adequacy under the current framework has been stable since the last DPF review, we see merit in further improvements. Considering the reliance of the current framework on judgment, as articulated in the 2018 Overarching Strategy on Data and Statistics, the need for a new structured, and transparent framework, cannot be over-emphasized. We, therefore, view the adoption of an additional Category C as important to overcome the recurrent propensity to bunch most responses under the current Category B. Moreover, the pilot results indicate that the principles-based assessment resulted

in improved identification of data weaknesses, which should help provide granular information required to better target CD provision.

We support the proposed perimeter of the new mandatory data provision to help close the remaining data gaps, ensure even-handedness in surveillance, and reduce blind spots. This highlights the need to bridge gaps identified by the Comprehensive Surveillance Review (CSR) in the existing data provision framework including on public sector data, data on foreign exchange intervention (FXI), and indicators for macro financial analysis. Enhanced data provision in these areas would be important to help deliver on the key CSR priorities including confronting risks and uncertainties, pre-empting, and mitigating spillovers, fostering economic sustainability, and delivering coherent policy advice including under the Integrated Policy Framework (IPF). Considering the concerns regarding the sensitive and confidential nature of FXI data, we are re-assured by the confidentiality arrangements proposed by staff but stress the need for the strict application of the Fund's Confidentiality framework to avoid information leakages. Nonetheless, we stress the importance of flexibility in transition periods beyond the proposed 3 years, particularly given resource, and capacity constraints in the pandemic context.

Finally, we support the staff proposal to maintain the current long-standing practice under which the Fund does not apply remedial measures to countries not providing outdated data. Our position is premised on the complications of securing the required consensus to amend the Articles of Agreement, at this stage. Nonetheless, going forward, remedial measures would be required to address outdated data requirements that have been over-taken by methodological refinements. Specifically, we can go along with the option to remove the whole list of minimum required data items to provide the Executive Board with discretion to make regular reviews to the "living list" of the required information, to adapt to the rapidly evolving global economic landscape.

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GRAY/22/733

March 9, 2022

**Statement by Mr. Hilbers and Mr. Tsur on Review of Data Provision to the Fund for
Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

*We thank staff for the Review of Data Provision to the Fund for Surveillance Purposes. We support staff's efforts to strengthen Data coverage through a systematic approach that acknowledges the importance of even-handedness in surveillance. We agree that the existing Data Provision Framework served the membership well, and we support staff's proposals for the way forward. **The quick changes in the global economy and the IMF's priorities require an updated approach and more efforts to reduce blind spots in various fields and among the membership.***

The requirement for additional data is consistent with the larger variety of policy tools and facilitates more transparency and evenhandedness. Hence, we agree with staff's proposals for enhancing the provision of public sector, foreign exchange intervention, and macrofinancial data. The growing need for a granular analysis of fiscal risks beyond the simple numbers of the Debt-to GDP ratio justifies the broader coverage of public sector data. The considerable increase in variety of tools to address macroeconomic challenges, as reflected in the Integrated Policy Framework, justifies better coverage of FXI and macrofinancial developments and policies.

We support staff's balanced approach, including the proposed transition periods and guidance on periodicity and timeliness of the new data to be provided. We welcome staff's flexibility which allows the recalibration of their proposals based on the survey, with longer transition periods or moving certain indicators to a voluntary basis where needed. *Could staff comment on the remaining gaps between the new requirements and countries' possible capacity shortfalls even following the recalibrated transition periods?*

The expansion of data requirements will only be beneficial if completed with efforts to improve statistical reporting systems of countries with capacity constraints. Since most Fund members already provide the additional indicators voluntarily, the challenge is to increase the capacity and commitment of the remaining countries. It is in these countries' best interest to develop sufficient capacity to produce and provide key data to facilitate the appropriate analysis by the various government agencies, IMF's staff, other IFIs, and the markets. We support staff's efforts to supplement countries' efforts, through designated capacity development, including technical

assistance and training on the statistical front. However, the inclusion of statistical aspects when providing CD on policy issues can be more cost-effective in some cases. *Could staff suggest if such a practice is common?*

We welcome staff's approach on safeguarding confidential information and encourage steps to protect data from cyber threats. The new FXI requirements introduce important progress that should be cultivated. Central banks invest many resources in securing market-sensitive data against the risk of cyber-attacks. *Could staff comment about specific efforts regarding the growing risk of cyber-attacks that might expose FXI data?*

Macro-critical indicators on climate change, inequality, and digitalization are not included in the updated framework and should be supplemented through data sharing with other agencies. We understand that in some cases, more specifically climate, the availability of data in many countries is low. We are encouraged by the previous contribution of the G20 Data Gaps Initiative to address policy-relevant data gaps and take note that a new data gaps initiative is being developed prioritizing the above-mentioned macro-critical issues. We encourage staff to strengthen the collaboration with other agencies to bridge data gaps, also for non-G20 members. *We appreciate specific comments by staff regarding the collaboration with the World Bank.*

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GRAY/22/735

March 9, 2022

**Statement by Mr. Andrianarivelo and Mr. Diakite on Review of Data Provision to the
Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the comprehensive papers on the Review of Data Provision to the Fund for Surveillance Purposes (DPF). The provision of adequate data is essential for the Fund to carry out its analytical and policymaking work, and meet the challenges of the evolving economic and financial landscape. However, this DPF review takes place in a context also marked by the lingering effects of the Covid-19 pandemic, and therefore, new data requirements should not constitute an additional burden for national authorities, as stressed in previous Board meetings on the subject. In this regard, we recognize staff's efforts to focus the DPF review on the most urgent areas for improvement, and we view the set of proposals brought forward as broadly aligned with the priorities supported by the Board in May 2021. Therefore, we can go along with the proposed decision and provide the following comments:

While an update of the list of indicators is justified, new data requirements should be limited to the minimum warranted by economic and financial developments, including the pandemic. We see merit in updating the list of indicators required from authorities in light of the evolving nature of the macro financial landscape for surveillance. However, it is essential to carry out this effort by balancing the diverse surveillance needs and the statistical capacities of authorities. Broadening the scope and provision of mandatory data should be done based on on-going consultation with country authorities to determine the availability and provision of data, and the priorities for capacity development (CD). *Although the fund is the primary user of the DPF, it would have been more appropriate to involve membership in the process of reviewing the framework. A mere survey with low return rates could not be a substitute for a consultation-based approach with those member states for whom implementation of the new framework will be mandatory. Staff's comment is welcome.*

We broadly support the new framework for assessing data adequacy for surveillance. A more structured and transparent approach should strengthen the assessment of data adequacy by not relying solely on the judgement of staff. We agree that this would be helped notably by an explicit elaboration by staff of the rationale for reaching a given classification. We note that the DPF framework has served the membership well and that cases of non-cooperation have been rare. Therefore, given the pressures of the pandemic, we see merit in postponing the refinement of the framework for dealing with cases of inaccurate and/or serious delayed data. Also, regarding outdated data requirements, we support maintaining the Fund's long-standing practice of not applying remedial measures to members not providing outdated data series, given the time needed to build consensus around an amendment to the Fund's Articles of Agreement.

We can go along with the proposals for enhancing provision of public sector, foreign exchange intervention, and macrofinancial data. On the provision of **data on public sector debt**, we agree that the surge in debt levels creates new risks and vulnerabilities that need to be monitored, especially in a context of tightening external financing for many countries. We agree that broadening the coverage and increasing the granularity of public sector debt data from central government and central government guaranteed debt to general government and general government guaranteed debt will improve public debt reporting and enable better assessment of debt sustainability and risks of sovereign stress. Likewise, we see merit in enhancing the provision of a narrow set of data on **foreign exchange interventions (FXI)** and other central bank data as part of the Fund's efforts to strengthen its bilateral and multilateral surveillance. However, appropriate safeguards should be provided and agreed with authorities, notably on confidentiality issues. Publication should be encouraged but remain voluntary given the potential market sensitivities associated with FXIs. Gaps in the provision of **financial sector data** should also be addressed to strengthen macrofinancial surveillance through a better detection of financial sector vulnerabilities and interlinkages with other economic sectors. In this regard, we agree that systemic financial jurisdictions should provide additional financial sector indicators, such as non-depository institutions and residential real estate prices. We also see merit in encouraging the voluntary provision of data on insurance companies, pension funds, and mutual funds, as well as households and nonfinancial corporates.

On all these data series, we stress the need to give sufficient transition periods for countries to adapt, and provide strong CD to support implementation, particularly in low-income countries (LICs), and fragile and small states. The proposed gradual phasing in of the new data requirements is welcome, as well as targeting some requirements only to a subset of countries when some data are only relevant to these countries. For some indicators,

staff's proposal to rely on broad definitions for a start is appropriate, and here also, it will be necessary to give sufficient time for dialogue with authorities to reach a common understanding on concepts. On **Fund CD**, we recognize its invaluable role in building capacity to produce and deliver key economic and financial data in LICs. In this regard, we welcome the various donor-funded programs such as the Financial Sector Stability Fund (FSSF) and the Data for Decisions Fund (D4D). We encourage the continuation of efforts to scale up and enhance the effectiveness of CD to support the production and dissemination of essential data for surveillance in LICs, fragile states and small states.

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GRAY/22/737

March 9, 2022

**Statement by Mr. Herrera and Mr. Corvalan Mendoza on Review of Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the Review of Data Provision to the Fund for Surveillance Purposes (DPF), the background paper, and the informative Q&A session with the Board. The ever-changing world economy puts to the test the quality and depth of macroeconomic and financial data for analysis and policymaking. For this review, the DPF suggests that updates to the overall envelope of data are needed, particularly on topics like public sector, foreign exchange intervention, and macro financial indicators, in line with the recently approved Comprehensive Surveillance Review and the FSAP review. In the same vein, a previous Board discussion on Data Standard Initiatives (DSI) has showed that performance and implementation have been resilient despite important challenges brought in by the COVID-19 pandemic, which reflects strong country ownership.

We agree with staff's assessment on data provision to the Fund since its last DPF review in 2012, and we support the introduction a new framework for assessing data adequacy for surveillance. The 2016 IEO report pointed to more-favorable-than-warranted assessments of data adequacy in staff documents. To tackle this shortcoming, we agree with the adoption of a new, more structured, and transparent assessment of data adequacy for surveillance, as presented in the report. The latter would certainly facilitate policy dialogue with authorities on data shortcomings and help prioritize how capacity development could help the membership to identify areas where data needs improvement.

We support the idea of enhancing provision of public sector, foreign exchange intervention, and macro financial data and agree with the transition periods and guidance on periodicity and timeliness of the new data. The Global Financial Crisis (GFC), COVID-19 pandemic, and more recently the war in Europe, are pushing countries onto rising debt level paths, where financial sectors have become more interconnected and risks potential spillover to the real sector turned more acute. In this context, the quality and depth of macroeconomic and financial data for analysis and policymaking is essential to better discharge the Fund surveillance duties responsibly. The trade-off between the data needs of the Fund and the burden placed on

members are understandable and could be mitigated with targeted and well prioritized capacity developments for specific countries, but data provision to the Fund has become a public good that needs to be protected and enhanced. The trade-off between improving quality of the data and the broadening of the perimeter could be amended with closer dialogue with authorities and moving, for example, some data from mandatory to a voluntary list to accommodate pressing needs in each country. *On new data requirements to be applicable to a subset of the membership, we would like to hear more details from staff on how this country grouping or tiers would impact their access to capital markets or their credit ratings. We would appreciate further clarification on FX intervention data and its confidentiality treatment in the Fund to address potential market sensitivity.*

We broadly agree with not expanding the perimeter of required data to a sustainability indicator at this stage. As highlighted in the reports, several critical areas of the Fund's expertise still present information gaps that need to be closed before introducing demographic shifts, technological change, inequality, climate change, and geopolitical indicators. At this stage, we consider that to arrive at a common approach for a set of indicators would require further analysis and many of these indicators are available from other institutions that have a clear mandate to tackle these important challenges in depth, like the World Bank and the United Nations.

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GRAY/22/739

March 9, 2022

**Statement by Mr. Huh, Ms. Johnson, and Mr. Yoo on Review of Data Provision to the
Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the informative paper and helpful outreach to our office. We expect the review of data provision to the Fund for surveillance purposes will increase transparency in individual economies, facilitate more effective surveillance of the Fund, and better identify capacity development needs. We broadly support the set of proposals provided in the review and offer the following comments.

We welcome that data provision to the Fund has improved over time and remains high even during the pandemic. We agree that the Data Provision Framework (DPF) has served the membership well and helped to support close cooperation between the Fund and its members.

We welcome the proposal for a more structured and transparent assessment of data adequacy for surveillance. With more granularity in the classification of data adequacy, the new assessment framework is expected to facilitate more engagement with authorities on data issues and help identify data weaknesses, which will improve the integration of CD and surveillance.

We support expanding the coverage of public sector and macro-financial data requirements to drive greater debt transparency and improve macro-financial surveillance efforts. In the context of heightened public debt risks, more comprehensive public sector data provision is required to enhance the Fund's capacity to assess fiscal space of member countries and provide relevant and credible policy advice. The new public debt data provision requirement is also in line with the decisions in the Debt Sustainability Assessment and Debt Limit Policy review. We agree with the proposal to require the

members with systemically important financial sectors to provide several additional macro-financial indicators. We also welcome flexibility on the specific definition of indicators allowed for by the DPF according to member-specific circumstances.

Although we can broadly go along with the proposed foreign exchange intervention (FXI) data requirement, voluntary provision would be more recommendable at this stage. We appreciate staff's efforts to simplify FXI data required, reflecting our concerns over market sensitivity, jurisdictional issue and administrative burden at the previous board discussion. However, we believe that further efforts are required to assure members about market sensitivity before such a data requirement is made mandatory. FX intervention is defined in broad terms as comprising all transactions of FX spot and FX linked derivatives undertaken by the FX authorities regardless of policy purpose. However, such a broad concept may run the risk of misleading the market regarding the authorities' FX transactions and the magnitude of FX intervention. Therefore, we prefer a narrower definition which is limited to FX transactions aiming at affecting value of FX rate. If it is technically difficult to collect comparable FX intervention data as stated in the paper, we would suggest using "FX operations" rather than "FX intervention". *Staff's comment is welcome.*

We reiterate that any request for new data provision must be coupled with tailored capacity development and technical assistance. We are concerned about the potential administrative burden placed on the authorities. Some members with very low institutional capacity find existing data requirements challenging. In this regard, we welcome a proposed transition period customized to each new indicator and the detailed assessment of CD needs for each category of new data requirement. *Could staff elaborate on resource allocation for CD related to the new data requirement in the medium-term budget and beyond?*

We welcome the proposal to maintain additional indicators on economic sustainability on a voluntary basis. We do not see a strong case for uniform data request in this area at this stage. Using available data from other institutional sources is more a pragmatic solution for now and will avoid duplication of data requests.

We support the proposal to maintain the current practice of not applying remedial measures to non-provision of outdated data considering low priority compared to other urgent agenda. However, we agree that an amendment to the Article VIII, section 5 needs to be considered at a later stage and we prefer an option to remove the whole list of minimum required data items and grant full discretion to the Executive Board to establish a "living list" with periodic review.

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GRAY/22/741

March 9, 2022

**Statement by Mr. Guerra, Mr. Cartagena Guardado, Ms. Arevalo Arroyo, and Ms.
Lankester Campos on Review of Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the comprehensive papers and for the outreach to our office. Adequate data provision is crucial for the Fund to effectively exert its surveillance and financing roles, and it is also fundamental for members in order to have more informed policymaking decisions. We agree with staff that the Data Provision Framework (DPF) has served the membership well and that it has fostered closer cooperation between the IMF and the membership.

The DPF review comes at a critical time, given the ongoing developments in the global economy as well as the aftermath of the effects of the pandemic, and it is a timely opportunity to improve data shortcomings to enhance surveillance effectiveness. To this end, we agree that it is fundamental to integrate data provision into the evolving surveillance priorities as well as into the treatment of data issues while overcoming institutional constraints that some small, low- and middle-income countries may still have. We also agree that, given the ongoing pandemic pressures, this review should prioritize the most pressing issues, but should also consider addressing non-compliance issues at a later stage as resources allow.

The Fund should ensure the provision of adequate capacity development. It is encouraging that the review highlights strong cooperation between countries and the Fund. However, we underscore that, given that many small developing countries have significant capacity constraints, it may be challenging for them to improve their reporting systems. Therefore, the Fund's technical assistance and training are crucial for scaling their information provision and closing the remaining data gaps.

We are encouraged that mandatory data provision continues to improve, from an already high level. It is noteworthy that almost all members provided most of the required indicators even during the pandemic and that there has been progress in some areas of data provision. While not mandated by the framework, it is relevant that the periodicity and timeliness of data provision remain guided by the Fund's surveillance needs and that compliance remains guided by country-specific

understandings. It is also important that the timeliness of data provision is aligned with commitments under dissemination standards. We also positively note that the Fund's support has been important for many countries to enhance their data provision.

We support the introduction of the new, more structured and transparent framework for the assessment of data adequacy for surveillance. This framework will contribute to having a more structured policy dialogue, prioritization of capacity development needs, and even-handedness in surveillance. In addition, there is sensitive and confidential data that needs to be disclosed within the proposed framework. Therefore, we would like to emphasize the importance of the confidentiality arrangements.

In order to have an effective feedback loop between surveillance and capacity development, as presented in Chapter 2 of the background paper, specific policies should be developed. We highlight that it will be instrumental if staff agree with the authorities during the Art. IV consultation on the CD priority areas to address the data gaps that are impairing an effective surveillance. Additionally, there should be a follow-up in the next Art. IV consultation on the technical assistance that was put in place and an evaluation of the data gaps that were addressed. *Can staff comment on what measures or guidance can be put in place to ensure an effective feedback loop between surveillance and capacity development in data provision?* In this vein, the strong relationship that the Fund's regional technical assistance centers have with country authorities on this front could play a key role in the adoption of the updated framework.

We agree with the proposals to expand the perimeter of required data provision on public sector, foreign exchange intervention, and macro-financial data, although with the provision that some small LMICs may need support for a gradual implementation. We find that the proposal strikes a balance between the need for additional data, given the rising debt levels and increased interconnection in the global financial system, and the cost of providing this data by the authorities. In this regard, it is instrumental that the IMF continues to have a dialogue with the authorities to ensure that the new data requirements are fully understood, and that sufficient institutional capacity is in place.

- **The new requirements on public sector data will be challenging to deliver; therefore, strong CD support will be fundamental.** From our discussion on the CSR, it is clear that fiscal risks will have a prominent place given the increasing debt levels. In fact, the review of the DSA pointed to the need for broader public sector coverage to assess sovereign risk and debt sustainability. In this regard, we agree with staff that members unable to calculate the full perimeter of NFPCs debt due to capacity constraints should focus the capacity development on providing data on the NFPCs that are deemed to be the most relevant. We also support the view that, given the importance of contingent liabilities for the assessment of fiscal risks, a substantial transition period should be granted. Better comparability among countries, especially small LMICs, will result from a larger number of countries updating their perimeter of NFPCs. *Can staff provide further comments on the percentage of countries that need to increase their coverage of the NFPCs and how CD can be more effective to strengthen its institutional capacity to achieve that goal?*

- **Although the majority of member countries already publish some FXI data, if data gaps are to be reduced in an effective manner, the IMF should engage proactively with a cooperative approach and take into consideration the authorities' specific concerns.** The availability of FXI data has become even more important in the objective of effectively assessing the external sector position of member countries. As part of the surveillance exercise, the IMF should evaluate and clearly communicate whether policies are conducive to orderly economic and financial conditions. Also, the IMF should carefully evaluate the effects that protracted FXI and capital flow restrictions can have on other members and clearly report this in the External Sector Report. We would expect that the increase in data availability is reflected in additional analysis given the criticality of this topic to the IMF's mandate.
- **We regard the additional macro-financial data as an important step in building a more effective macro-financial surveillance.** We agree with staff that elevated financial vulnerabilities from the COVID pandemic further reinforce the need to reduce the blind spots in macro-financial surveillance. Although staff reports that a large fraction of the membership would already comply with most of the new proposed data requirements, we would stress the need to support member countries with some specific indicators that require attention (like the net open position in foreign exchange to capital, part of the financial soundness indicators). *Is there any specific strategy being considered to address the more important data gaps that have already been identified in certain indicators?*

While supporting the proposed transition periods for the new data, we highlight that these assume comprehensive and timely CD support for member countries. The IMF should have adequate resources to address the additional demand for CD coming from these new data requirements. Strong coordination between STA HQ and the regional centers will be instrumental in the effective and timely delivery of the CD, either in regional or country-tailored assistance, to meet the demand of the Fund's membership. In this regard, we believe that the analysis on resource implications will need to be updated as staff has a clearer assessment of the potential demand for technical support in data provision. Given the different increased demand for CD coming from the different emerging areas, we believe that we should allow for additional resources in IMF01 to address any increase in CD demand to support data provision in a timely manner.

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GRAY/22/743

March 9, 2022

**Statement by Mr. Bevilaqua, Mr. Saraiva, Mr. Velloso, and Ms. Hennings on Review of
Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the detailed report and background papers. We strongly support the Fund's initiatives in collecting data and contributing to capacity development. Accurate and timely data are vital not only for effective surveillance but also for better policy decisions. We agree that significant changes in the economic environment and their related challenges are a valid trigger for reviewing and updating the Data Provision to the Fund for Surveillance Purposes (DPF).

We agree with staff's proposal for enhancing the provision of public sector, foreign exchange intervention, and macro-financial data. We take positive note that the new data requirements focus squarely on the traditional core mandate of the Fund, where it has a unique role. Nonetheless, the increased granularity of the new data requirements is likely to increase the burden on countries with less developed statistical systems, and this may contribute to fragmentation. We therefore urge staff to develop a comprehensive approach to tackling the different needs of the membership, including capacity development, with a view to effectively ensuring that no country is left behind. Regarding indicators of economic sustainability, we agree that the Fund can make good use of high-quality data already produced by specialized institutions to support the emerging areas in Fund surveillance.

We take note of the data provision surveys, which provide a preliminary assessment of the capacity to comply with the new categories of required data. We note the relatively limited coverage of public sector data produced by emerging market economies (EMEs) and low-income countries (LICs) covered by the surveys. We concur that, with the sharp increase in public spending in the aftermath of the global pandemic, granular information has become even more important to monitor the fiscal accounts and public debt. We also agree that just focusing on central government data leaves substantial gaps in the assessment of fiscal policy. Hence, regional and local governments must be encompassed by the data. Nevertheless, even in some advanced economies the provision of good data coming from state and local authorities has shortcomings. We acknowledge that staff's proposals were

calibrated considering the availability of indicators and member countries' capacity to compile them. *Could staff elaborate further on the adjustments made to better match the new data requirements to member countries' capacity? How does staff envisage providing the needed capacity development to the countries that are currently behind and are likely to face challenges in meeting the new data requirements?*

Transition periods should be calibrated to avoid leaving member countries behind. The survey has shown that countries that do not currently produce the newly required data may need technical assistance, additional staffing and financial resources. Also, they sometimes face legislation constraints and limited availability of data sources. To overcome these obstacles, the transition should usefully account for existing strategic planning priorities and any ongoing projects being undertaken by country statistical agencies. Although the proposed transition period seems generally reasonable, longer timeframe may be needed and would be indeed appropriate to give member countries additional time to adapt and for capacity development efforts to bear fruits. We also note that the transition periods proposed by staff tend to be shorter than the average period mentioned by country authorities that responded to the survey. *Could staff elaborate on the criteria for the chosen transition periods in the new categories of data.*

We welcome the improved transparency and structure of the new framework to assess data adequacy for surveillance. A template to guide the evaluation of the data already provided, or the difficulties members face to collect such data, would make the process less idiosyncratic. We note that compliance with periodicity and timeliness of new data provision is customized, attending country-specific circumstances, although a general understanding should apply in case of divergence between staff and the authorities. *Could staff elaborate on the frequency and main reasons for finding it difficult to reach an understanding with the authorities?*

We concur with the current practice of not initiating a non-observance procedure for the list of outdated data required under Article VIII, Section 5. Since amending the Articles is not feasible in a short timeframe, while we agree with continuing the current approach, we welcome staff's evaluation of alternative measures.

Better coordination among different initiatives and data frameworks is paramount to avoiding overburdening country authorities. We acknowledge staff's efforts to propose a strategy which tries to integrate the DPF with the requirements under the Comprehensive Surveillance Review, G20 Data Gaps Initiative, and Review of IMF Data Dissemination Initiatives. Nevertheless, the integration of the strategy and framework is not entirely clear for member countries that already have to comply with several overlapping data initiatives (e.g., SDDS/GDDS framework, DPF, IFS, external sector, public finance and monetary and financial statistics submitted to STA through the ICS, World Bank Debt Reporting System and Quarterly External Debt Database, BIS Data Bank and Direct Investment Statistics reported to UNCTAD) and are confronted at times with a lack of clear definition for some indicators, as well as differences in timeliness, IT systems, and data breakdowns. While it is understandable that data collected by multilateral institutions could differ depending on the

objective they fulfill, data providers in member counties are frequently the same and minimizing their burden must be carefully considered when setting data requirements. Therefore, we strongly encourage staff to engage with other multilateral institutions to seek a better integration of data requirement frameworks.

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GRAY/22/745

March 9, 2022

**Statement by Ms. Marcussen and Mr. Kraavik on Review of Data Provision to the Fund
for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the detailed report and agree with the overall assessment. We highlight the need for adequate macroeconomic and financial data to inform analysis and policy making and appreciate the Fund's efforts in this regard. We welcome the improvement in data provision since the last review in 2012, allowing for better integration with surveillance. We support efforts to enhance data reporting in low-income countries and fragile and conflict-affected states and welcome the Fund's CD support in this regard.

We support adopting a new more structured and transparent assessment of data adequacy for surveillance, and we see merit in adding granularity by introducing a new classification of data adequacy. We especially appreciate that this can improve the effectiveness of surveillance, facilitate policy dialogue with the authorities, and help prioritize CD efforts by identifying the areas where CD would be most urgent and beneficial while limiting the burden on staff.

We agree that the perimeter of mandatory data provision should adapt to the evolving global economy, and thus, we welcome updating the minimum list of indicators that members are required to provide. **We broadly agree with the proposals addressing the remaining gaps on public sector, foreign exchange intervention, and macrofinancial indicators.** We also agree with the periodicity and timeliness proposals for each data category and find the proposed transition periods appropriate.

Public Sector Data: The current challenging debt situation underlines the importance of debt transparency as the lack of sufficient data complicates debt management, policy surveillance, risk pricing, and the accuracy of the IMF's debt sustainability analysis. **We agree with staff that broader coverage of public debt and more granular data on its composition are key.** Overall, we think that a general government coverage should be a requirement for Fund's debt data. More granular data of the composition of debt is important to better understand and analyse the concentration and rollover risks. Therefore, we support staff's proposals on the creditor and instrument breakdowns. However, we note that some countries with weaker capacities might have constraints in reporting, especially the NFPC debt data. Therefore, we

support the Fund to continue targeting CD for improving data coverage for members struggling with debt data disclosure. We agree that the initial CD focus should be on providing data on the NFPCs that present the biggest fiscal risks and therefore are most relevant for surveillance.

Foreign Exchange Intervention and Other Central Bank Data: We agree that the Fund's surveillance of members' exchange rate policies, external sector assessments, and well-informed policy advice would benefit from better FXI data provision to the Fund. **Overall, we see value in the proposed categories of mandatory indicators that cover relevant elements of FXI and other central bank data.** Confidentiality concerns are relevant, and in this respect, we appreciate the considerations for confidentiality arrangements when deemed necessary by the member. We would also like to point out that diversity of central banks' institutional frameworks may pose some challenges to standardized provision of FXI data.

Macrofinancial Data: The IMF should take the leading role in developing and maintaining data on the use of macroprudential policy measures, capital flow management measures, and other indicators relevant for macrofinancial analysis. **Thus, we strongly support staff's proposals on the mandatory indicators to enhance macrofinancial data provision.** We agree that these would ease the assessment of banking sector resilience, credit exposures within the financial system, and more broadly linkages between the financial system and the real economy.

Indicators of Economic Sustainability: While we acknowledge that the review does not propose expanding the perimeter of required data on economic sustainability indicators, we note the importance of data collection to ensure that the Fund can systematically support its membership with analysis and fiscal and financial policy advice to mitigate and adapt to climate change. **Moreover, we highlight that data related to economic sustainability is becoming more and more necessary, and reliable international comparability of data would be welcome.** We find the Fund's Climate Change Indicators Dashboard a very welcome initiative and encourage the Fund to focus on maintenance, updates, and improvements of climate data by refining data sources and methodologies to make the indicators better for surveillance and policy making purposes.

Concerning outdated data, we agree with staff and do not see a need for a standalone amendment to the Articles. **Thus, we support maintaining the long-standing practice of not applying the remedial framework when members do not provide data categories considered outdated.**

We understand that these new data requirements will likely require some additional resources but appreciate staff's assessment that the burden on most member countries and on Fund resources should remain contained.

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GRAY/22/746

March 9, 2022

**Statement by Mr. Tanaka, Ms. Kashima, Mr. Naka, and Mr. Watanabe on Review of
Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for their comprehensive set of reports. The Data Provision to the Fund (DPF) framework has provided essential information for the IMF surveillance. It is extremely important that the DPF framework continues to be appropriately modified and improved as necessary, in order to enhance the quality of the Fund surveillance and its operations. In this regard, **we welcome the staff's reports of DPF review.**

The DPF review should proceed with broader consensus amongst the member countries by avoiding a one-size-fits-all or top-down approach due to its nature of mandatory. In this context, we welcome the flexibility of the staff proposed framework. In particular, allowing alternative definitions is critical to accelerate the efforts of member countries with capacity constraints. **On the other hand, appropriate countermeasures including prompt application of remedial measures and necessary remarks in the Article IV reports should be taken in terms of evenhandedness in such cases, where flexibility of interpretation would be misused for a country's own benefit, and intentionally conceal data that can be submitted.**

We see some sense of inconsistency and lack of sequencing between the DPF and the IMF Data Standard Initiatives (DSI) , in terms of the authorities' burden and capacity, considering that about 40% of items that were considered to be "encouraged" even for the SDDS Plus (highest tier) countries at the latest DSI Board meeting held only two weeks ago are now proposed to be "mandatory" for all member countries under the DPF. *Staff comments on their reasonings and intentions would be appreciated.*

Adding to the above general remarks, we would like to offer the following comments for specific topics.

Public sector debt:

Collecting creditor data for some LICs has become even more crucial as their financial situations have rapidly deteriorated due to the pandemic. Especially, staff's proposal requiring countries whose share of debt to multilateral and official bilateral creditors is above 20% of the total stock of debt to submit the individual multilateral and official bilateral creditors' names is particularly important and effective, since it covers 95% of the DSSI eligible countries. Hence, we strongly support the idea to require debt data submission for targeted countries where it is necessary. Taking into account that data collection and preparation requires the authorities' sufficient capacity, the Fund should actively support the LIC members through TA to enable them to meet the requirements of the proposed data submissions. Japan, as the top donor of D4D, will continue to play a leading role in supporting statistic capacity building for these countries.

On the other hand, the mandatory submission of debt decompositions by creditor types should be focused only on loans at least for some AE countries. There is little need to collect all compositions of creditors for AE countries at a specific point in time for surveillance purposes, given the highly liquid characteristic of government bonds of AE countries, which are traded on a day-to-day and time-to-time basis. Going back to the original objective of collecting such data, to assess debt sustainability and vulnerability, the breakdown of all holders of the AE countries' government bonds with high liquidity is unlikely to be an issue. Moreover, given the actual circulation status of AEs' government bonds, it is not feasible from a practical perspective to trace and determine the final holders. In addition, from the viewpoint of public sector data as a whole, we believe that each country would have its own unique circumstances that make it more likely to collect and submit either the central or general government data. Given that the fundamental purpose of surveillance could be largely achieved with either type of data, **it would be more reasonable to make it mandatory to submit either the central or general government data and treat the other on an encouraged-basis, rather than making both data mandatory at this stage.**

Foreign Exchange Intervention and Other Central Bank Data:

In general, we strongly support the staff's proposal on submission of the FXI data, as it is quite important for the IMF to have a comprehensive understanding of the actual situation of the FXI, in light of its core mandate. Furthermore, since central banks are not necessarily the only institutions engaging in FXI, more proactive consideration should be given to expanding the scope of target entities to include government financial institutions with mandatory data submission, rather than limiting it to the Central Bank.

On the other hand, we consider that data on swaps and repo transactions between central banks should not be submitted to outside the authorities even under confidentiality. Such transactions are conducted to provide liquidity for financial stability purposes, and we are concerned that such information becoming open to the public could lead to unnecessary speculation of the financial system of both countries involved in the transaction. In this context, we think the data on swap and repo transactions should not be included in the requirement.

Macrofinancial Data:

The development of financial statistics is highly important for accurately monitoring the financial system and systemic risks. On the other hand, given the huge cost of preparing financial statistics including consensus building with a broad range of private entities, **data submission with alternative definitions using the existing MFS framework should be allowed under the basic principle of flexibility in the DPF.**

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GRAY/22/752

March 9, 2022

**Statement by Mr. Binzarah and Mr. Abdel-Rahman on Review of Data Provision to the
Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the informative report and the helpful background paper. We are encouraged that staff are mindful of the trade-offs involved in the data provision review in current circumstances and we note that the proposals have benefited from extensive consultations with the Board, Fund staff, and country authorities. We also recognize that a lot has changed since the list of indicators that members are required to provide to the Fund was last updated in 2004, and that the data provision framework needs to evolve in line with the current surveillance priorities. Against this background, we are in a broad agreement with staff's assessment and proposals and would like to offer the following remarks for emphasis.

- **We see merit in a more structured approach to assessing data adequacy for surveillance.** Such an approach would lessen the reliance on judgment by country teams and provide more explicit rationale for the classification. We also note that a more structured approach will also help facilitate a more constructive policy dialogue with the authorities on data issues and improve prioritization of capacity development efforts for areas where Fund support is most needed.
- **We underscore the importance of recognizing the diverse statistical capacity across the membership.** As staff rightly noted, data provision has reflected strong cooperation between the Fund and its members as both parties have a shared interest in ensuring sound surveillance and policies. Therefore, it is important that the data provision framework continues to recognize diverse surveillance needs and conditions across the Fund membership, including statistical capacity. Here, we are encouraged that staff's proposals seek to prioritize and gradually phase in new data requirements based on current availability and the different capacities across the membership. Moreover, we concur that

when capacity constraints prevent provision of specific mandatory data series, the Fund should stand ready to support its members through capacity development. We also encourage staff to continue to work with key stakeholders to adjust the CD product mix in line with country needs and absorptive capacity and to enhance its effectiveness.

- **Addressing data sensitivity and confidentiality concerns is crucial for the Fund's role as a trusted advisor.** Here, we note that results from the survey of country authorities as reported by staff point to confidentiality concerns as the main reason for not reporting FXI data to the Fund. Therefore, we positively note that the proposed data scope and reporting lag seek to strike a balance between the Fund's surveillance needs and concerns about confidentiality. We also underscore the importance of ensuring adequate safeguards against data leaks and cyberattacks which are crucial for maintaining the membership confidence in the Fund as a trusted advisor.

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GRAY/22/753

March 9, 2022

**Statement by Mr. Fanizza and Mr. Spadafora on Review of Data Provision to the Fund
for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for a comprehensive set of papers and welcome the informative findings of the 2022 Review of Data Provision to the Fund for Surveillance Purposes (DPF). Effective surveillance and analytically grounded policy recommendations by the Fund require adequate data on key macroeconomic and financial variables that can capture the evolution of risks at both the country and global level. We agree that data provision needs to be well integrated with evolving priorities of Fund surveillance and that the treatment of data issues requires an integrated approach, as called for by the Fund's Overarching Strategy on Data and Statistics of March 2018. In this regard, we commend management and staff for the contemporaneous reviews of the Data Standards Initiatives (DSI) and the DPF, which have provided value added by allowing for a holistic view of the Fund's data needs and issues and highlighting the synergies that exist among mandatory and voluntary frameworks. We welcome the improvement in data provision to the Fund since the 2012 DPF Review and the continued spirit of cooperation between the Fund and its members that underpins this process. We are also pleased that improvements in data provision to the Fund have been supported by the Fund's capacity development (CD) efforts and the DSI.

We offer the following specific comments:

- We can support in principle the staff's proposals to expand the perimeter of mandatory data provision in the areas of public sector, foreign exchange intervention, and macrofinancial indicators. We are somewhat reassured that most Fund members already provide these indicators voluntarily and share the staff's view that addressing the remaining data gaps would ensure even-handedness in surveillance, reduce blind spots, and thereby further improve the effectiveness of Fund surveillance. However, we have the following concerns:
 - The Fund's definition of general government debt may differ from the one used by our authorities for official statistics, which follow the Maastricht methodology (in particular, the definition adopted by the Fund considers more debt instruments, such as trade debts and Special Drawing Rights). For the data currently provided to the

Fund, our authorities follow the methodology agreed at the European level: for our authorities, it is very important that this practice be maintained. The paper clarifies in footnote 3 (Table 1A of the background paper) that the definitions should only “preferably” follow those of the GFSM; however, we would recommend making this clarification more evident also in the staff report, notably by recalling that the DPF framework does not require the use of specific methodologies or definitions to provide surveillance data to the Fund. *Staff’s comments are welcome.*

- We believe that further coordination within the Eurosystem and the European statistical system is needed to assess in full the case of the proposed mandatory provision of the breakdown of government debt by creditor types. Indeed, in our understanding, this data request would imply the disclosure of stocks of government debt (at nominal value) held by the ECB for monetary policy purposes (or the need to build a rough proxy based on different valuation concepts). More generally, there is a need to further verify the consistency of some data categories – notably foreign exchange interventions – with European standards and data confidentiality requirements.
- Moreover, for some countries, some data requests marked as mandatory would significantly increase the burden on the statistics producers with probably limited value added for Fund surveillance. In the European Union, some of these requests would considerably deviate from the current standard data transmission requirements. As such, we propose to remove from the list of mandatory series the indicators on total stock of debt and aggregated profit/loss of public non-financial corporations.
- We are particularly pleased by the contribution from two dedicated multi-partner vehicle trust funds – the Financial Sector Stability Fund (FSSF), to which Italy has contributed, and the Data for Decisions Fund (D4D) – designed to help finance CD activities in support of surveillance in low- and lower-middle-income countries.
- We support the proposed changes to the data adequacy framework, which aim at making assessments more structured and transparent while facilitating the policy dialogue with the authorities on data issues and more clearly identifying areas where data needs to be improved, thereby enhancing the integration of surveillance and CD.
- We support the more granular classification – with a new category C – of data adequacy for surveillance. However, we ask staff to further elaborate on how the new framework would foster an “*explicit elaboration of the rationale for a given classification*” (para 16). *In the preparatory work, did staff give thoughts to an even more granular classification, e.g., the 6-category model adopted in the questionnaire for coverage of Government Finance Statistics (Chapter 4 of the background paper)? Do staff see a risk that the “bunching” problem may merely migrate from the B to the new C category?*
- We support the proposed transition periods and the proposed guidance on periodicity and timeliness of the new data to be provided to the Fund and agreed to maintain the Fund’s long-standing practice of not applying remedial measures to members not providing outdated data series.

- Finally, while we take note of footnote 6, to maintain consistency across staff papers, in paragraph 2 we suggest using always “*Data Standards Initiatives*” instead of “*Data Dissemination Initiatives*”.

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GRAY/22/754

March 9, 2022

**Statement by Mr. Buissé and Mr. Grossmann-Wirth on Review of Data Provision to the Fund for Surveillance Purposes (Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the very informative and well-structured documents, including the set of chapters included in the background paper. We strongly support the role and regular review of the Data Provision to the Fund for Surveillance Purposes (DPF) and consider fully appropriate to update the framework as well as to expand mandatory categories as needed to ensure adequate IMF surveillance. We provide a few additional comments and question for staff below.

We share staff's positive assessment of the data provision development since the 2012 review and strongly support the increase in capacity developments (CD) efforts. We welcome the progress already made in mandatory data provision and the good cooperation ongoing between the Fund and its members documented in the paper. We strongly support the CD efforts towards low and lower-middle-income countries and note the change in the modalities of CD implied by the pandemic. *Looking at Figure 4 p.13 in the main report, could staff further elaborate on the impact of the pandemic or other factors in the levelling off in the number of new CD delivery financed by the D4D Trust funds and in the data dissemination through a Specialized Data Portal in recent years?*

We support the new framework for the assessment of data adequacy for surveillance and welcome the extensive underlying work conducted by staff through consultation, survey and pilot exercises. We support the addition of category C ("data have some shortcomings that somewhat hamper surveillance") in the classification of data adequacy and the new questionnaire enabling a more systematic and structured data provision process.

We agree with expanding the perimeter of required data provision, but some categories still need to be fine-tuned to be consistent with European standards and data confidentiality requirements. We agree in principle with staff's proposals for enhancing the provision of public sector, foreign exchange intervention, and macrofinancial data. We also welcome staff's work on information confidentiality data protection against cyber risks. However, some data categories still deserve further discussion, in particular regarding foreign exchange interventions. In line with feedback received from the ECB/Eurosystem, we cannot commit for

example at this stage to provide the indicator “Transactions by the central bank with other central banks”, and further check are needed on the breakdowns by type of instrument employed in the context of FXI. We also echo Mr. Fanizza and Mr. Spadafora statement in considering that some other items, especially regarding public sector data, still require further analysis and coordination within the Eurosystem to fine-tune the precise content and format of some indicators.

Echoing Mr. Hilbers and Mr. Tsur statement, we note that macro-critical indicators on climate change, inequality, and digitalization are not included in the updated framework.

In line Mr. Hilbers and Mr. Tsur, while we are aware of potential data provision issues for these categories, we consider that progress should be made swiftly in coordination with the G20 Data Gaps Initiatives and other relevant agencies.

Finally, we generally support (provided the above mentioned questions on the perimeter are resolved) the proposed transition periods framework as well as the practice of not applying remedial measures to members not providing outdated data series. We also welcome staff’s flexibility in the possible recalibration of the framework based on the survey, with longer transition periods or moving certain indicators to a voluntary basis where needed.

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GRAY/22/755
Revised

March 9, 2022

**Statement by Mr. Alhosani and Ms. Hamzah on Review of Data Provision to the Fund
for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for their thorough paper which reviews the experience with Data Provisioning to the Fund for surveillance purposes and presents the progress made which has served the membership well by helping to support close cooperation between the Fund and its members, including through capacity development activities. We also welcome the proposed enhancements to data provisioning based on the surveys and consultations with the membership. We appreciate the Fund's efforts since the last DPF review in 2014 which have focused on enhancing data provisioning for surveillance purposes. We are in broad agreement with staff's proposals and would like to make the following points:

We are pleased that data provisioning under the DPF Framework has been improving, allowing the Fund to better discharge its surveillance duties. However, the COVID-19 pandemic has impacted data dissemination across all countries due to lockdowns and other pandemic related disruptions, especially to countries who have capacity constraints and those who fall under the FCS category. We are pleased that an internal consultation involving area departments sought to test and refine the framework with twenty country teams participating in the pilot. As the takeaways from the pilot concluded, the most severe data weaknesses were identified mostly in fragile states, and since most FCS fall within the e-GDDS tier, we encourage staff to work closely with FCS, including through technical assistance, to strengthen capacity development and improve

data constraints. We also agree with the points raised in the paper regarding the implications and likelihood for some member countries to require additional resources for units compiling data. *However, we are concerned regarding resource implications for FCS, and we would appreciate staff's views there. We also noticed in Figure 2 that when comparing between pre-covid and during the pandemic period, data provisioning to the fund has either improved or remained the same in all areas except for 'Central Bank Balance Sheets' we would therefore appreciate staff's views there.*

We agree with staff that providing foreign exchange data is necessary for surveillance purposes; however, we are concerned about the market sensitivity and negative impact involved with disseminating such data. **We therefore encourage that appropriate safeguards are put in place when handling market sensitive and confidential FXI information.** We also take note that data provision to the Fund under Article VIII, Section 5 can be made confidentially without a presumption of publication.

Regarding the transitional period for the proposed mandatory indicators, we encourage staff to include a window of flexibility to allow sufficient time for member countries to adapt especially to those with capacity constraints and who suffer from state fragility. We also encourage staff to strengthen technical assistance and capacity development efforts to support country needs.

We agree with staff that the Fund's long-standing practice of not applying remedial measures to members not providing outdated data series should be maintained.

Finally, we agree that the next review of Data Provisioning to the Fund for Surveillance Purposes should be in five years, and we look forward to assessing progress at that time.

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GRAY/22/756

March 9, 2022

**Statement by Mr. Palotai, Mr. Azal, Mr. Just, and Mr. Marek on Review of Data
Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the comprehensive set of reports. The Review of Data Provision to the Fund (DPF) is very timely, as adequate data reporting constitutes a prerequisite for the Fund's effective surveillance and appropriately targeted policy advice, in particular, on debt sustainability. We broadly agree with staff's assessment of data provision trends since the last DPF review and welcome the new framework for assessing data adequacy for surveillance. **While enhancing data reporting for macrofinancial and public sectors is well warranted, we are cautious and unconvinced by the proposal for enhanced information-sharing on foreign exchange interventions owing to market-related risks.** Overall, the aim to fill data gaps in several areas is warranted. At the same time, staff should be mindful of resource implications that may arise for the authorities, and utilize publicly available sources to the extent possible.

We note staff's assessment of data provision trends since the last DPF review and encourage continued progress in data reporting and publication, where appropriate. The authorities' continued efforts to enhance their capacity to report macroeconomic data to the Fund will be critical. While targeted capacity development is necessary to facilitate such efforts, the authorities should demonstrate sustained progress, as any backsliding in reporting weighs on the credibility of their policy engagement with the Fund. Some flexibility in data reporting based on the agreement between the country teams and the authorities is justified; however, this should not deviate from internationally accepted practices. We also see merit in the publication of Board documents, in particular Article IV Staff Reports and Financial Sector Assessment Programs, which are pivotal to shedding light on policy discussions between staff and the authorities.

The new framework for assessing data adequacy for surveillance is a step in the right direction. Introducing more granularity in the assessment framework is well-justified to produce a more robust and nuanced evaluation of data provision to the Fund, as well as to subsequently help identify the main data deficiencies. We positively note that the pilot phase,

which included 20 country teams, resulted in improved and more differentiated assessments without overburdening staff's capacities.

We are very cautious regarding the proposal for enhanced information-sharing on foreign exchange interventions. This data is highly market-sensitive and, despite the suggested safeguards, any leakage or data breach incidents could have substantial repercussions for the authorities' monetary policy, as well as potentially for the monetary system as a whole, in case of larger leaks. The need to maintain data confidentiality also pertains to situations when foreign exchange interventions are critical to cushion market turbulence, which is unrelated to economic fundamentals, to mitigate a potential undue widening of macroeconomic imbalances. The policy intentions behind foreign exchange intervention should be further abstracted away from by reducing the frequency of data provision and increasing the reporting lag. Given the seasonality of data, such adjustments would make sure that no misrepresentation arises from any analysis.

We support the proposed more comprehensive public sector data requirements and broader coverage of the macrofinancial sector. Enhancing debt transparency is critical for several Fund policies, including determining the perimeter and maturity of both domestic and external debt. Such considerations are vital to assessing debt sustainability, including the risks related to contingent liabilities, and seeking efficient ways for potential debt restructuring when needed. In the same vein, strengthening macrofinancial data reporting is critical, such as for large, complex, and highly interconnected financial institutions where the risk of cross-border contagion and financial distress propagation is very severe. To this end, we emphasize the need to address data gaps in relation to non-bank financial institutions to enhance the monitoring of interlinkages with offshore financial centers. *We would appreciate if staff could elaborate on the analyses which the data on non-bank financial institutions is envisaged to be used for.*

We broadly concur with staff's procedural proposals. We support the proposed transition periods and guidance on the periodicity and timelines of the new data to be provided to the Fund, except for data on foreign exchange interventions. The long-standing practice of not applying remedial measures to members not providing outdated data series should be maintained.

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GRAY/22/758

March 9, 2022

**Statement by Ms. Lim, Mr. Mochtar, Mr. Nghiem, Mr. Azlan Ariff, and Mr. Bautista on
Review of Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the comprehensive report and outreach to our office. Structural shifts have taken place in the global economy while uncertainties remain, requiring the Fund to enhance its surveillance capacity and policy advice, supported by comprehensive, timely, and quality data. We thus welcome the timely review of the DPF.

In line with the principle of even-handedness, we stress the need for proposed data adequacy assessment and new data requirements to remain highly attuned to country-specific circumstances. We commend staff's efforts to engage with authorities and to balance between the desire for more data to support Fund's surveillance activities and addressing authorities' feedback. Within the broad guidance of the DPF, we appreciate that further considerations could arise at the bilateral level, and it is important that country teams apply judgement on a country's **ability** and **concerns** with respect to data provision. On ability – infrastructural, institutional and legal challenges may present difficulties to meet data requirements. On concerns – domestic circumstances such as being more exposed to large shifts in non-resident portfolio flows and choice of monetary policy framework, among others, do not necessarily allow the authorities to provide data to exact specifications, due to risks surrounding confidential and potentially market-moving data. We encourage the country teams to adopt a pragmatic approach when assessing data adequacy and provision, based on a good understanding of country circumstances and policy frameworks.

We remain concerned about the new required FXI data, even in aggregated form. Despite safeguards, FXI data is market sensitive and can be misused for speculative activities if it inadvertently reaches an audience for whom such data is not intended.

- **There are alternative ways to achieve the same surveillance objectives.** For surveillance purposes, the discussion on economic policies does not require FXI data to such granularity or reporting frequency, as many Article IV consultations have concluded without such data. In addition, discussions on policy strategies and the broader policy toolkit can still proceed with official reserves data, qualitative/anecdotal information, and FXI data proxies. In selected cases that do merit the provision of FXI data to the Fund (e.g., determination of official exchange rate classification), this can be done on an “as needed” basis at the discretion of the authorities, which helps allay authorities’ concerns about transmission of confidential information. Where authorities still have concerns or challenges with the data provision, country teams should work closely with authorities to explore alternative arrangements, such as adjustments to the periodicity and timeliness of data, as ultimately authorities remain best placed to assess and provide data that is appropriate for particular surveillance purposes.
- **The provision of FXI data on a granular and regular basis could risk misinterpretation by the not-so-initiated,** abstracting away from its context and undermining authorities’ policy actions. For example, active FXI transactions undertaken during periods of heightened market volatility, well within authorities’ policy toolkits, are intended to maintain financial stability, and not to affect the direction of the exchange rate. Similarly, FX transactions between the central bank and private/public sector entities should not be immediately interpreted as FXI, as there may be underlying reasons within a domestic context. In this perspective, less frequent and well contextualized data (on an “as needed” basis with authorities) would be of better service for the Fund’s surveillance purposes. We emphasize that staff should remain open to these types of arrangements.
- **Any form of transmission of confidential data remains subject to information security risks,** even with assurances and safeguards provided by the Fund. We strongly reiterate the importance of having in place adequate safeguards to protect the confidentiality of FXI data and its use beyond Fund surveillance. We understand that Executive Directors can request access to strictly confidential data without authorities’ consent, and such data is then made open to the Board in line with the Transparency Policy Guidance Note. While we are not opposed to this and understand the importance of the Board executing its functions effectively, we encourage a strictly guarded approach, for example, the release of confidential data being contingent upon strong and valid reasons for the request. *In this regard, we also enquire about the*

possibility of having some form of supplementary guidance for the sharing of strictly confidential data with the Executive Board.

We support staff's recommendation of adopting a new, more structured and transparent assessment of data adequacy for surveillance purposes. On the addition of a fourth category (i.e., Category C: data have some shortcomings that somewhat hamper surveillance), we note that it would give country teams more flexibility in assessing the adequacy of data provision. However, the success of the new framework will hinge mainly on the Fund's ability to credibly identify data weaknesses while not unduly penalizing members, and facilitate dialogue for capacity development targeting these weaknesses. Consequently, the new framework will be most beneficial to Fund members if it can improve their conduct of surveillance and reporting systems.

We welcome transitional arrangements to facilitate the orderly introduction of the new data requirements but are concerned that some arrangements may be too short. A transition period of one year for FXI data and macro-financial data may not be sufficient to address domestic constraints such as data availability, granularity, definitional differences, as well as the legal and institutional setups required to provide the data. In some cases, countries may require technical assistance by the Fund to develop the required dataset. It is also prudent to factor in time for long approval processes, especially in the case of third-party data involving entities and institutions that fall outside the authorities' regulatory perimeter (e.g., non-bank financial institutions). Therefore, there may be a need to adjust or extend the transition periods depending on country circumstances.

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GRAY/22/759

March 10, 2022

**Statement by Mr. Peter and Mr. Gindrat on Review of Data Provision to the Fund for
Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We welcome the overall progress in data provision made over the last decade by a large number of IMF member countries. The existing framework for Data Provision to the Fund for Surveillance Purposes (DPF) has helped to significantly improve data provision to the Fund for the purpose of surveillance.

The proposed substantial update of data requirements needs to strike the right balance between costs and benefits. Due attention must be paid to both the benefits from additional and more detailed data to support Fund surveillance as well as the associated costs, including through additional data collection and the necessity to safeguard confidential and market-sensitive information. Staff's assessment of data provision trends only partly justifies the proposed additional data requirements.

On public sector data, we ask for consistency with other Fund proposals that require the collection of additional data. The Board has just completed the Tenth Review of the IMF's Data Standards Initiatives (DSIs). Data series that remain voluntary in the context of the DSIs should consistently remain so also in the context of the DPF (i.e., data on general government debt). In addition, transition periods should be consistent: while the data provided under the DSIs serve different purposes than the data provided to the Fund for surveillance purposes, the transition periods should be similar because the challenges in the area of public sector data lie in the collection rather than the confidentiality of these data.

On macrofinancial data, we support the proposed additional data requirements on banks and real estate prices, but not those on non-bank financial institutions (NBFI). The provision of data on NBFI should remain voluntary, in our view, because (i) the staff paper does not give sufficiently substantiated reasons to justify the mandatory provision of this data; (ii) the proposed data requirements go beyond SDDS Plus; and (iii) the need for

data on NBFIs and the systemic relevance of NBFIs differ among jurisdictions. We also call for consistency with the data requirements of the FSB.

On foreign exchange intervention (FXI) data, we can support the staff's proposal of expanding the perimeter of mandatory data provision. However, we would like to emphasize that this is a substantial update to the current framework and is certainly close to the limit of what some countries can disclose while still being able to safeguard confidential and market-sensitive information. Depending on country-specific characteristics, such as market depth, countries vary in how much information they can disclose without limiting the effectiveness and flexibility of FXI operations.

We can agree with the proposed new framework for the assessment of data adequacy. This framework fosters dialogue on data issues between staff and the authorities and helps prioritize statistical capacity development efforts.

The Fund should maintain its practice of not applying remedial measures to members that are not providing outdated data series. We agree that a standalone amendment to the Fund's Articles to modernize or remove the list of required data in Article XIII, Section 5 is not justified.

The modalities by which confidential information is shared with the Executive Board need to be clarified. We note the information given in the background paper that "management and staff cannot agree to withhold information from the Fund's Executive Board that is required to be reported under the Articles of Agreement or a Board-established policy" (p. 11). *Is our understanding correct that Executive Directors can access any data that would be provided to the Fund under the updated framework by way of a simple request? Could staff elaborate?*

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GRAY/22/761

March 10, 2022

**Statement by Ms. Rieck and Mr. Boehme on Review of Data Provision to the Fund for
Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for a very informative report, including the proposals on updated data provisioning requirements. Higher quality of data provision will allow significant improvements in the Fund's surveillance activities and enhanced tailoring of CD activities to members. Overall, the proposed three areas for extending data provision strike us as highly relevant.

Given that the last update to the list of required indicators has been conducted in 2004, a review is very timely. Especially against the backdrop of increasing debt vulnerabilities and significant risks to the world economic outlook, it is essential to close existing data gaps and enhance surveillance. The informal board engagements last spring as well as the member survey laid a good basis for the review process.

In general, we support the efforts by staff to update the data provision to the Fund in order to gain better data for its surveillance work as well as CD.

- We appreciate that providing additional relevant **data on public debt** will become mandatory, as data gaps for public debt are currently significant. Expanding data provision requirements covering central and general government is most welcome in this regard. We recognize that the Fund generally does not mandate disclosure of data provided by members to the public. Nevertheless, we would encourage the Fund to push for publication of fiscal data under the Transparency Policy.
- Members are currently not required to provide **FXI data** under the data provisioning framework and we take note that the data which is available to staff is inconsistent in terms of methodology, coverage and periodicity. While the Articles of Agreement (AoA) clearly mandate oversight over members' exchange rate policies and we support expanding data

provision in this area, the topic of FXI data is a sensitive issue for many members which must be carefully weighed against the need for better surveillance by the Fund. In this regard the concerns of authorities should be taken into account and a cooperative approach, including an adequate application of the confidentiality framework, should be followed. *Does staff see any option to upgrade the confidentiality framework in order to address these concerns?*

- Reducing data gaps for **macrofinancial** analyses is key to extend macroprudential policy advice in Article IV consultations to more members. Tailoring the newly required indicators to members with and without systematically important financial sectors seems a sensible approach to focus data collection on where it adds the most value.

We believe a pragmatic and realistic implementation timeline is needed to introduce such a massive broadening of mandatory data to be provided to the Fund. For a number of members this might prove challenging, especially – but not only – for capacity-constrained members. Germany already produces and transmits to the IMF several of the suggested new mandatory indicators. However, there are also some indicators that might require a change in domestic legislation, a process of which the outcome and timeline is difficult to predict. Also, the institutional setup might hinder the provision of some FXI data such as certain central bank transactions and the breakdown by instrument. We have the following suggestions: Considering prolonging the transition times for the new indicators; handling arising implementation issues in a flexible, practical and cooperative manner; duly regarding necessary domestic (legal) processes; take into consideration data reporting frameworks already followed by a significant number of Fund members; providing adequate CD to members implementing the new requirements under the DPF review. *As staff foresees extensive CD to be required to implement the DPF, we are wondering if and how this has already been included in CD planning for the next FY and the recent board discussion of CD priorities.*

We appreciate the staff proposal for a more structured assessment of data adequacy. The newly developed survey for the country teams can be completed with minimal effort and seems to be an efficient tool to get a better overview over data issues and facilitates prioritizing of capacity development to members' needs. Given the common 'center-bias' in the existing assessment, we support the proposal to make the data adequacy framework more granular by introducing a fourth category.

We take positive note that there have been only a limited number of instances of poor compliance or even non-compliance by Fund members with the requirements of the Data Provisioning Framework in the past. We agree to review the framework to deal with such cases at a later stage. *Staff comments on the intended timeframe to address issues of non-compliance are welcome.*

We agree with the assessment that some data items have become outdated since the embedment of the minimum required information in the AoA. We would see benefits in granting the Executive Board full discretion to establish a 'living list'. However, due to the complex procedure to modify the AoA we can go along with the proposal to maintain the current long-standing practice to not apply remedial measures if these outdated indicators are no longer provided. *How does staff plan to inform all relevant data producers that these indicators are no longer used in the analysis?*

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GRAY/22/763

March 10, 2022

**Statement by Mr. El Qorchi and Mr. Belhaj on Review of Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the insightful set of papers and welcome the Review of Data provision to the Fund for Surveillance Purposes. Addressing data gaps is key to further improving the effectiveness of Fund surveillance, especially in light of the heightened macroeconomic and financial risks. **We broadly agree with staff's assessment and wish to make the following comments.**

We support the introduction of the new framework for assessing data adequacy for surveillance. We see merit in the new framework, based on a more structured and transparent assessment, and agree with adding a new category of data adequacy to improve differentiation and reduce moral hazard in classification. The new questionnaire should help identify data weaknesses and determine CD priorities that respond to surveillance needs. We encourage continued engagement between staff and authorities on CD, striking a balance between the surveillance needs and the authorities' priorities.

We support staff proposals for enhancing provision of public sector and macro-financial data. We remain however skeptical about mandating the provision of FXI data to the Fund without a thorough consultation with member countries, taking into consideration their constraint and data sensitivity.

The Covid-19 crisis has exacerbated economic vulnerabilities and worsened the debt profiles in many countries. We recognize the importance of granular public sector data, especially public debt, and contingent liabilities as well as data on non-financial public corporation in systemically important financial systems, to help refine the Fund's surveillance work, including for the Debt Sustainability Analysis.

On macro-financial data, we agree with staff proposals and welcome a tiered approach that tailors data requirements to the degree of complexity of financial systems, thus reducing excessive burden on members with non-systemically important financial sectors. For many developing countries, building capacity as well as producing quality data on non-financial corporations and the real estate market are resource intensive, take time, and need enhanced assistance from the Fund and other development partners.

With respect to the FXI, we take note of staff arguments in favor of mandatory data provision and concur that it would improve surveillance and the assessment of members' BoP positions. We also appreciate staff responsiveness to the authorities' concerns, as reflected in the simplification of certain data (in comparison with the first proposal) and the assurances on the issue of confidentiality. However, we believe that FXI data are very sensitive in many member countries. Mandating their provision in such cases could hamper the implementation of the Fund's policy recommendations. In our view, such an objective could be achieved through continued engagement and dialogue rather than coercion. As a consequence, we would favor a more gradual consultative and consensual approach—even if that requires more time and effort—relying on voluntary provision of FXI data by members (and based on a unified methodology and format). A more differentiated engagement with the authorities would be preferable to achieve the intended goal.

The proposed transition periods may prove challenging for many members, particularly those with limited capacity. We support prolonging the transition periods for the new indicators and greater flexibility in implementing the new framework.

Finally, we agree to maintain the Fund's practice of not applying remedial measures to members not providing outdated data series. Staff propose interesting options for modernizing the legal architecture for the provision of data to the Fund, including providing full discretion to the Executive Board to establish a list of required data that could be adapted to changing economic realities over time. We acknowledge, however, that building consensus for a stand-alone amendment to the Article VIII would take time, and hence agree with staff recommendation to defer it to a general amendment of the Articles in the future. In the meantime, we agree with the proposal to continue not applying remedial measures with respect to the non-provision of information considered outdated data by the Fund.

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GRAY/22/772

March 10, 2022

**Statement by Mr. Ronicle and Mr. Chrimes on Review of Data Provision to the Fund for
Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We strongly support the overarching objectives of the Review. Ultimately, the Fund cannot properly deliver on its mandate unless it receives the right data from the membership, with appropriate quality and timeliness. As staff point out, the global economy is changing – and therefore the data required to deliver on the Fund’s mandate is changing too. We agree with staff on the need to enhance the provision of public sector, foreign exchange intervention, and macro-financial data. These proposed new data items link to important priorities agreed by the Board as part of the Comprehensive Surveillance Review.

We welcome staff’s efforts to deliver a balanced proposal, and – following helpful recent discussions with them – are reassured by the transition approach they are planning. We note staff’s conclusion that the IMF country team survey “indicates that a large fraction of the membership would already comply with most of the new proposed data requirements” – though the survey results (including the survey of country authorities) reveal some important nuances and gaps, including on some proposed “required” indicators – with only a minority currently providing the data in some cases. We urge all country authorities to provide the new data points as soon as possible, though we also appreciate that in some specific cases, designing and quality-assuring the processes to collect and deliver new data will take time. However, our understanding of staff’s proposal is that, beyond the transition periods, there will still be some flexibility, provided the member is taking credible steps to address outstanding capacity issues (with country teams discussing concerns with the relevant authorities). We see this as a constructive and collaborative way forward, balancing the importance of providing the new data with the real capacity and resource constraints many statistical authorities are facing. Particularly for small, low-income and fragile and conflict-affected states, well-calibrated capacity development will also have an important role to play. Success in securing appropriate and high-quality data from the membership will depend on staff maintaining a collaborative, well-integrated and proactive approach to engaging with country authorities.

We agree with staff that securing economic sustainability is a key surveillance priority. Some sustainability-related themes will be crucial to effective surveillance and high-quality policy advice in the years ahead. We agree with staff that these are evolving areas and that developing a durable, consistent approach to data collection will take time. We are therefore content with the proposal not to expand the perimeter of required data to sustainability indicators at this Review, and welcome work through the G20 Data Gaps Initiative and other fora. We stress the importance of these themes and associated data, and in particular underscore that the macro-critical elements of climate change are key to the Fund's mandate. We encourage staff to collaborate across the institution and with other multilateral partners to ensure a consistent and non-duplicative approach to data collection wherever possible.

We support staff's proposed introduction of the new framework for assessing data adequacy for surveillance. The new framework's greater granularity and transparency could help foster better conversations with country authorities, and a more integrated approach to data, surveillance and capacity development.

We are also comfortable with staff's intention to maintain the long-standing practice of not applying remedial measures to members not providing outdated data series. We acknowledge that an amendment to Article VIII Section 5 may merit consideration in future, in the event of a broader revisiting of the Articles, as a more permanent solution.

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GRAY/22/776

March 10, 2022

**Statement by Mr. Jennings and Mr. Villeneuve on Review of Data Provision to the Fund
for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the detailed reports, including the proposals to update the Data Provision Framework (DPF), which will help further strengthen the Fund’s surveillance activities and the information available to inform policymakers.

Data provision performance since the last review of the Data Provision Framework has been impressive and has been supported by the Fund’s capacity development (CD) and data dissemination initiatives. The areas of weakness identified in the last review—including data related to international investment positions and general government fiscal flows—have improved considerably since then, and performance in the other areas has remained strong.

We support the proposed framework for assessing data adequacy for surveillance. It will be a significant improvement to have a structured and risk-based approach for assessing data adequacy, compared to the current process that relies significantly on judgement. This will also help ensure that CD is targeted and tailored to priority areas.

We welcome the proposals to expand the perimeter of required data provision, especially those to help fill urgent gaps identified by the Comprehensive Surveillance Review in the areas of public sector data, data on foreign exchange intervention, and indicators for macrofinancial analysis. The proposed new requirements are significant but appropriate. Our current requirements have not kept pace with the proliferation of debt instruments, including those contracted outside the central government, or the changing creditor landscape. Inadequate debt disclosure has hindered the preparation of Debt Sustainability Analyses, and thus contributed to debt sustainability risks.

We support the proposed transition periods and proposed guidance on the periodicity and timeliness of the new data to be provided. These recognize that authorities will require

time and support to meet the new requirements and are in line with the approach taken in the previous updates to the perimeter of required data provision.

It will be important for the transition periods to remain flexible where needed, and for CD support to be significant and timely. Many members will struggle to meet the new requirements, especially given the competing demands related to the global pandemic. It is possible that some requirements may need to be adjusted, if implementation turns out to be very difficult in practice. Challenges will be especially significant for small members, who face significant capacity limitations. It would also be useful for CD activities to include support in procuring appropriate hardware and software to help meet the new requirements, as these are increasingly obstacles to the ability of smaller countries to meet reporting and data disclosure requirements.

We are comfortable maintaining the long-standing approach of not applying remedial measures to members not providing outdated data series. While it would be preferable to remove requirements that are no longer relevant from the Original List and, better yet, to replace the Original List with a “living list” that can be updated by the Executive Board, we agree that this would not be worth the significant efforts required to amend the Articles of Agreement in order to achieve this. However, this could be included in a potential future general proposal to update the Articles.

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GRAY/22/779

March 10, 2022

**Statement by Mr. Palei and Mr. Shestakov on Review of Data Provision to the Fund for
Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the informative set of papers and for engagement with our office. We welcome the timely Review of Data Provision to the Fund for Surveillance Purposes and consider all three proposed areas for extending data provision to be relevant to the Fund's work.

We support the new structured and transparent assessment of data quality for surveillance. We believe that strengthened assessment framework will allow to flexibly identify data weaknesses, especially in the critical areas where they hinder policy advice. The introduction of the new category in the assessment of data adequacy holds promise to reduce moral hazard for country teams, which otherwise are inclined to evaluate data as “broadly adequate for surveillance”.

We support staff's proposal to expand the perimeter of required data provision for public sector and macrofinancial data. In the aftermath of the pandemic the public debt remains elevated for many countries, and comprehensive and granular data provision is critical to analyze both emergent vulnerabilities and menu of policy options. In this regard, the requirement to report general government debt as well as non-financial public corporations' debt is justified by the need to improve assessment of sovereign risks and fiscal space. For many member countries risks are also stemming from the financial system vulnerabilities, while the financial system often amplified external shocks and transmits them on the broader economy. We especially support expanding the required data perimeter on non-bank financial institutions, which are remaining a blind spot for regulation in many countries.

We believe that a more gradual approach is needed in determining requirements for FXI data. We agree with staff that improved provision of FXI data is important for the Fund to carry out effective bilateral and multilateral surveillance, as well as to undertake policy assessments. Nevertheless, FXI data remains sensitive for many member countries, and its provision risks undermining policy implementation. We appreciate staff assurances in confidentiality but believe that at a current stage a consensual approach with reliance on voluntary provided data is preferable.

Sustainability indicators might be considered for inclusion in the required data perimeter during the next review. We agree with staff that emergent areas for the Fund's work require adequate data provision on demographic developments, technological change, inequality, and climate change, with many indicators potentially pointing to macro-critical issues. Nevertheless, at this stage we support the approach of engagement on these issues on country-by-country basis. We encourage better coordination for the data provision in these areas across many of the Fund's workstreams, as well as through collaboration with other development partners, especially the World Bank, to reduce the number of overlapping data demands from country authorities.

We take positive note of the fact that virtually all members report most existing required indicators. We concur with the staff proposal to not apply remedial measures to members not providing outdated data series, which is preferable to the option with full discretion of the Executive Board, the latter requiring an amendment to Article VIII. However, such an amendment might be considered in the future as a permanent solution.

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GRAY/22/783

March 10, 2022

**Statement by Ms. Shortino and Mr. Westphal on Review of Data Provision to the Fund
for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for this report on the Review of Data Provision to the Fund (DPF) for Surveillance Purposes. Given the importance of high quality and timely data for macroeconomic and financial sector surveillance, we strongly support this workstream and we welcome its ambition. We also appreciate staff's extensive engagement with Directors, and we look forward to ongoing engagement during implementation, for which we would encourage flexibility. **We consider staff's frameworks for the DPF going forward to be appropriate, we note the impressive progress on data provision to date, and we strongly welcome the proposals for expanding the data perimeter.**

We support the introduction of staff's new framework for assessing data adequacy for surveillance and the proposed guidance on periodicity and timeliness of the new data. We welcome the improved performance by many countries in providing required data to the Fund. We would have appreciated more discussion of instances when the absence of debt and foreign exchange intervention (FXI) data in particular have limited the Fund's ability to perform adequate surveillance. Staff rightly note the importance of capacity development, which will be especially crucial with the new data requirements. We also agree to maintain the Fund's long-standing practice of not applying remedial measures to members that do not update data series that are now considered outdated.

We strongly agree with staff's proposals for enhancing the provision of public sector debt, foreign exchange intervention (FXI), and macrofinancial data.

- **We support in principle the proposal for public debt data, which is an improvement over status quo.** Given the increasing complexity of public sector balance sheets, it will be important for staff to have more detailed data about nonfinancial public corporates' debt and general and central government debt to provide a holistic and complete picture of debt sustainability. Indeed, we would have preferred for the requirements to go even further to include collateralized debt and quasi-official debt. We welcome staff's ambition in this proposal, but we stress the importance of a balanced, flexible approach to

implementation. Specifically, the provision of detailed data at the state and local level for the United States will require further analysis and coordination with our authorities to ascertain the feasibility and appropriateness of what can be reported. Capacity development will also be critical in supporting countries' efforts to deliver this data. Given staff's recognition that the proposed new data is essential for macroeconomic analysis, we again encourage staff to consider similar requirements in the next review of the Data Standards Initiatives (DSI), particularly for SDDS Plus countries.

- **We concur with staff that enhanced access to FXI data is critical and urgent for effective external sector and monetary surveillance.** We welcome staff's work to address confidentiality concerns from authorities so that staff can collect and analyze this important data. Our chair has long called on staff to deepen their external sector surveillance, particularly with respect to FXI. We will expect deeper coverage going forward on linkages between FXI and external imbalances. Given staff's recognition that this data is essential for macroeconomic analysis, we would have preferred to see this same level of ambition in the DSI workstream, particularly for SDDS Plus countries, and we urge staff to consider these requirements in the next DSI review.
- **We are also strongly supportive of efforts to deepen macrofinancial surveillance with additional data provision, as supported by the CSR, the FSAP review, and the budget augmentation.** We agree that effective surveillance requires data about core financial soundness indicators, as well as credit and asset information for other depository corporations broken down by counterparty type. We appreciate staff's recognition that countries with systemically important financial sectors (SIFS) require closer monitoring, so we also support the increased data provision for those countries.

We agree with staff that demographic shifts, technological change, inequality, geopolitics, and climate change could impact macroeconomic stability in years to come. We understand that staff are hesitant to propose expanding the data perimeter to include these topics given they are emerging areas of study, and we look forward to hearing how staff's thinking evolves on these important topics ahead of the next review.

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GRAY/22/784
Revised

March 11, 2022

**Statement by Mr. Jin, Mr. Zhang, and Mr. Huang on Review of Data Provision to the Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

We thank staff for the report. We remain fully supportive of the Fund's surveillance work and its efforts to improve member countries' statistical capacity. Timely and accurate data provision is essential for not only the Fund's surveillance but also national authorities' policymaking. We welcome this timely Review of Data Provision and support staff's efforts to improve the effectiveness, evenhandedness, and consistency of the Fund's surveillance.

We welcome the progress achieved since the last review. We take positive note that all member countries could provide most required indicators in a timely manner. The data categories with initially low reporting rates, such as international investment position and general government fiscal flows, have also witnessed a substantial increase in provision ratio. We encourage further enhancing the synergies between the data provision and other work streams, including the data standards initiatives and capacity development.

We support the new framework to assess data adequacy for surveillance. Staff's assessment should be conducted in an evenhanded way. The current framework serves its purpose well but with some shortcomings, such as bunching of countries at the mediocre level. We see merit in a new survey-based framework with four categories of data adequacy instead of three. Country-specific circumstances, including the development stage and the statistical capacity, should be taken into account.

We would have preferred to see a more cautious expansion of data requirements, given the ongoing pandemic and geopolitical crisis. The proposal should strike an appropriate balance between the benefits from more data provision and the cost and risk of more data collection. As the pandemic and geopolitical crisis is still unfolding, we wonder whether the ambitious data requirement will arouse additional concerns and stretch member countries'

resources. A parsimonious approach would also be more in line with the recent review on data standards initiatives.

Staff might be over-optimistic of countries' capacity to provide some of the new data categories. While we appreciate staff for their survey of member countries, caution is needed when interpreting its results. For example, staff might have overestimated the availability of public sector data, as more than half of member countries did not respond to the survey and most of them are low-income countries with limited statistical capacities. Staff might also have overestimated the number of member countries who can provide Foreign Exchange Intervention (FXI) data for surveillance purposes, as many countries are borrowing from the Fund and providing the data for the purpose of program performance assessment rather than regular surveillance.

Having said that, we would like to offer the following comments on specific new data requirements:

Public Sector

The scope of government and definitions of indicators should be carefully calibrated, with members' specific circumstances taken into account. As staff propose to broaden the coverage of debt data to general government, it is necessary to reach a common understanding on its scope between staff and country authorities. If there are any divergent opinions, member countries' explicit legislation should be respected and followed. Special caution should be exercised when assuming the relevant government implicitly bear responsibilities for those debt of independent commercially-based SOEs and over-extend the envelope of general government debt.

We have some reservations about providing Non-Financial Public Corporations' (NFPCs) data. While we understand the NFPCs' data could help to estimate contingent liabilities, a lot of member countries have spent tremendous efforts on the NFPCs reform. Many such corporations are now independent in management and responsible for their own profits and losses. They have been important sources of fiscal revenues, rather than sources of fiscal risks. While staff's proposal of public sector data includes NFPCs, their debt should not be classified as a category of public sector debt. Providing their debt data to the Fund and using the data to estimate the fiscal cost of contingent liabilities could send out a wrong signal that government would bear the responsibilities of their liabilities, reversing the hard-won gains in hardening their budget constraint. More importantly, because of different country circumstances and economic regimes, the number of various state-owned enterprises, many of them are share holding companies, is numerous in some countries. Requiring provision of NFPCs' data will put unbearable burdens on these countries.

The same scrutiny should be extended to other contingent liabilities to ensure evenhandedness and avoid blind spots. After the outbreak of the pandemic crisis, many

member countries have provided government guaranteed loans to the corporate sector, with some authorities offering direct equity support. While these measures helped to cushion the pandemic shock, they are also government's contingent liabilities. In addition, many member countries are facing demographic challenges. Unsustainable pension and health care systems in these countries could lead to fiscal risks that are no less severe than loss-making NFPCs. In this regard, we are concerned that overemphasis on NFPCs may have generated some blind spot in the Fund's vision on the global debt landscape. *Do staff see data gaps in sources of contingent liabilities outside the NFPCs, such as liquidity and solvency support during crisis, financing gap in pension and public health care system, and potential need of bailing out financial institutions?*

We see merit in providing liquid financial asset data of the government. We encourage staff to further improve the balance-sheet approach of debt sustainability analysis by incorporating more categories of assets into the framework. Some non-liquid assets, such as infrastructure, could also generate cash flows and additional financing through collateral borrowing and securitization.

Foreign Exchange Intervention

We are not convinced that the FXI data in every country is necessary for the Fund surveillance and caution against making the FXI data provision an obligation for all member countries. The Fund's Articles of Agreement allows its member countries to choose among different exchange rate regimes. For those countries with fixed or managed exchange rate, the intervention is part of the rules implied by their choice of exchange rate regime. The Fund's external sector surveillance should focus on whether member countries' exchange rate is appropriate, rather than whether member countries' FXI is appropriate. Even if the Fund is interested in the latter question, it can be answered by examining the evolution of a member's BOP position and other related indicators, rather than those market sensitive FXI data. Under the existing data provision arrangement, member countries have been required to provide a wide range of external sector data, including the changes in BOP, exports and imports, balance sheet of the central bank, foreign exchange settlement and sales by commercial banks, international reserves, and foreign currency liquidity. This data should be enough for the Fund's surveillance.

The current safeguard measures cannot fully address the confidentiality concern. While the data can be provided with confidentiality promise of the Fund, we are concerned about recent cases of leakage of confidential information. With little value-added by providing FXI data, the damage from data leakage is substantial. A comprehensive review of existing rules and guidance on the treatment of confidential information should be done before requiring member countries to provide data that is highly confidential. Furthermore, it is worth noting that the Executive Directors as well as their countries' authorities have the right to access the confidential and market sensitive information. We are seriously concerned that the FXI data will be used for other purposes than the Fund surveillance.

We consider a narrow definition of FXI as more appropriate. We note with concern that staff propose to define FXI in broad terms by including all foreign exchange transactions, regardless of their policy intention. Intervention by its meaning always imply some policy intention. There are many transactions that are not initiated by the central banks and not for the purpose of affecting the exchange rate should not be treated as FXI.

Macrofinancial Data

We agree that the proposed data provision requirement would help to ensure a proper monitoring of member countries' financial system. We encourage staff to continue providing technical assistance to the member countries if necessary. It is important to coordinate with other international standard-setting bodies, such as the Financial Stability Board, to ensure a consistent definition of required indicators.

Finally, we support staff's proposal to maintain the long-standing practice of not applying remedial measures to members not providing outdated data series.

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GRAY/22/785
Revised

March 11, 2022

**Statement by Mr. Bhalla, Mr. Goyal, and Mr. Singh on Review of Data Provision to the
Fund for Surveillance Purposes
(Preliminary)
Executive Board Meeting 22/25
March 14, 2022**

1. We thank Staff for a very comprehensive report on the data requirements for the surveillance. We endorse the view that with structural changes over nearly the past two decades that witnessed global financial crisis and current pandemic, it is desirable to have a relook at the data requirements. Data that need to be captured and monitored has undoubtedly increased. The review proposes a substantial but manageable update to the overall envelope of data that members are required to provide to the Fund in the areas of (i) public sector, (ii) foreign exchange intervention, and (iii) macro-financial indicators. Most Fund members already provide these indicators voluntarily but addressing the remaining data gaps would ensure even-handedness in surveillance, reduce blind spots, and further improve the effectiveness of Fund surveillance. We broadly agree with the observations and suggestions made in the report. However, we would like to make a few points for facilitating discussion.

2. There has been significant improvement in data provision since the 2012 review. We compliment the Staff for actively engaging with country authorities and rendering capacity development to enhance data availability in key areas. While the improvement in International Investment Position and General Government fiscal flows has been noticeable, these data sets still lag considerably. Can Staff elaborate on the key constraints being faced for further improvement?

3. The implementation of data proposals needs to address two key issues. The first relates to the conceptual framework defining the data set, and the second pertains to the timeline for implementation. We note that Background Paper provides the

relevant definitions and required timeline. As such, all the members should follow an internationally accepted definition and common timeframe for the release of data sets. This would enable appropriate cross-country comparison and unambiguous communication to markets and data users.

4. However, the ability to meet these data requirements that vary across nations are contingent upon geographic and population size, political setup, legal provisions, and capacity. Acknowledging these aspects, Staff proposals incorporate flexibility about the timeline for implementation of additional data requirements. Probably, the proposed timelines are based on a survey administered to country authorities. Can survey results be shared with the Board?

5. In our opinion, close coordination between the IMF and country authorities is essential to work out the appropriate timeline and data variables. Referring to the existing practices, the report observes that "..., *the obligation is considered met when information is provided according to country-specific understandings between the IMF country teams and the authorities ...*" We propose that this practice should be formalized and be followed for all proposed data requirements.

6. Further, the proposed data provision requirements must seek to strike a balance between the Fund's surveillance needs and concerns of some members about confidentiality. Similarly, a balance is needed between the Fund's surveillance requirement and the cost to the authorities. Generating, compiling, and disseminating statistics to meet the requirements of various organizations imposes an onerous burden on the authorities in terms of appropriation of their functional manpower as well as the additional cost and skill requirements of statisticians. A large burden of data reporting also disincentivizes the data suppliers and compromises the quality of the statistics.

7. Among the new indicators proposed for Mandatory Provision to the Fund, FXI by other public sector entities at the direction of the central bank is a bit unclear. We would like to know if the requirement is for reporting (i) the aggregate interventions by the central bank together with the interventions by public sectors entities, e.g., public sector banks, on its behalf; or (ii) a separate category for interventions by the public sector entities carried out on behalf of the central bank. If (ii) is true, it may be difficult to share such information due to the market sensitivity surrounding such data. The country authorities may not derive comfort from the Fund's assurance of safeguarding of confidential information.

8. Finally, we agree with the continuation of the long-standing practice of not applying the remedial framework when members do not provide outdated data categories.

The 2022 Review of Data Provision to the Fund for Surveillance Purposes
 Responses to Technical Questions Posed by Executive Directors in Advance of
 EBM/22/25—March 14, 2022

Staff's responses to technical questions are below. Broader policy questions will be addressed in staff's intervention at the Board meeting.

Data adequacy assessment

- 1. In the preparatory work, did staff give thoughts to an even more granular classification, e.g., the 6-category model adopted in the questionnaire for coverage of Government Finance Statistics (Chapter 4 of the background paper)? Do staff see a risk that the “bunching” problem may merely migrate from the B to the new C category?**
 - The pilot phase with 20 country teams yielded a differentiation in the distribution of data adequacy assessments without a bunching problem. Increasing the number of categories would make the results more difficult to interpret and follow up actions possibly more difficult to design. Responses to the questionnaire will point clearly to areas with gaps, which will be expected to be explained in the staff report particularly in cases where serious shortcomings significantly hamper surveillance.

Public sector data

- 2. Can staff provide further comments on the percentage of countries that need to increase their coverage of the NFPCs and how CD can be more effective to strengthen its institutional capacity to achieve that goal?**
 - According to the survey of IMF country teams, about 70 percent of members provide information on the total stock of NFPCs debt and aggregated profit/loss of NFPCs (as well as the total stock of general government debt). The survey of IMF country teams, however, shows higher rates than the survey of country authorities, the latter of which suggests that the share of respondents producing total stock of non-financial public corporations is 53.3 percent among AEs, 41.0 percent among EMs, and 42.9 percent in LICs (and 44.4 percent among Fragile countries). The observed differences between the two surveys may partly reflect self-selection, different interpretations by the respondents, and different sample composition. In particular, the higher rate under the survey of the country team could reflect the fact that information on NFPCs' data is available for some but not all NFPCs. Therefore, as stated in the Board paper, members unable to access the administrative records to calculate the full perimeter of NFPC's debt due to capacity constraints would be encouraged to initially focus capacity development on providing data on the NFPCs that present the biggest fiscal risks and therefore are most relevant for surveillance.

- To assist countries' efforts to improve the public sector debt statistics (PSDS) data, the Fund will continue to provide capacity development (CD), covering both technical assistance and training activities in this area. For FY23, STA has planned to deliver 45 single-country missions on PSDS to LLMICs, representing about 30 percent of the total STA CD on fiscal and debt statistics, about a third of which are funded through the Data for Decisions (D4D) fund.
- 3. Given that the fundamental purpose of surveillance could be largely achieved with either type of data, it would be more reasonable to make it mandatory to submit either the central or general government data and treat the other on an encouraged basis, rather than making both data mandatory at this stage. The mandatory submission of debt decompositions by creditor types should be focused only on loans at least for some AE countries. There is little need to collect all compositions of creditors for AE countries at a specific point in time for surveillance purposes, given the highly liquid characteristic of government bonds of AE countries, which are traded on a day-to-day and time-to-time basis.**
- As discussed in the Board paper, staff propose that members provide data both at the general government and central government levels. First, the reviews for both MAC and LIC have made a clear case for a broader-than-central-government coverage of debt to assess sovereign risks and debt sustainability. The review of the MAC DSA set general government as a default institutional coverage and the LIC DSF staff guidance note states that the DSF should be based on near-complete coverage of public sector debt. Therefore, it is essential to have information on the general government debt for surveillance purposes. In addition, information on central government debt is important to assess which sectors of the general government are a source of significant risks (e.g., central government, local governments, or social security funds). Also, as the general government debt is provided on a consolidated basis, it can mask information on the central government debt risks when there are intra-government debt holdings. Thus, information on both central and general government debt is necessary for effective surveillance.
 - The proposed DPF allows reporting the debt securities breakdown by holder type based on custodian data, even if information by final holder would be preferred, when available. In addition, the authorities can refer to the "External Debt Statistics: Guide for Compilers and Users" (IMF, 2014) for the creditor breakdown of external debt, which states: "7.45 Most economies may face practical difficulties in identifying owners of debt securities. Economies might attribute the value of all debt securities to "other sectors" as the creditor sector. If so, this assumption should be clearly identified in any presentation of data; for instance, monetary authorities hold significant quantities of cross-border securities as part of their foreign exchange reserves." In this sense, while providing the precise breakdown of external debt securities by creditor type is preferable, grouping external debt securities under the "other sectors" (other external creditors" in the DPF classification) would be acceptable, as long as it is clearly identified/explained.

4. **The Fund’s definition of general government debt may differ from the one used by our authorities for official statistics, which follow the Maastricht methodology (in particular, the definition adopted by the Fund considers more debt instruments, such as trade debts and Special Drawing Rights). For the data currently provided to the Fund, our authorities follow the methodology agreed at the European level: for our authorities, it is very important that this practice be maintained. The paper clarifies in footnote 3 (Table 1A of the background paper) that the definitions should only “preferably” follow those of the GFSM; however, we would recommend making this clarification more evident also in the staff report, notably by recalling that the DPF framework does not require the use of specific methodologies or definitions to provide surveillance data to the Fund.**

5. **We also echo another ED statement in considering that some other items, especially regarding public sector data, still require further analysis and coordination within the Eurosystem to fine-tune the precise content and format of some indicators.**
 - The DPF does not require the use of any specific methodology. Methodologies are recommended but not required, given country and regional idiosyncrasies. Put differently, the DPF framework allows for flexibility on the specific definitions of indicators, considering member-specific circumstances that often can make alternative definitions more appropriate. This is specified in para. 27 of the DPF main paper: “Specific understandings on definitions are acceptable as long as members provide adequately detailed specifications of the data and such specifications are broadly consistent with commonly understood meanings of a particular indicator.”

6. **Do staff see data gaps in sources of contingent liabilities outside the NFPCs, such as liquidity and solvency support during crisis, financing gap in pension and public health care system, and potential need of bailing out financial institutions?**
 - The point about potential data gaps in sources of contingent liabilities outside the NFPCs is well taken. Some of this information is already being collected as part of the DPF proposal. Assessment of certain contingent liabilities, however, would require collecting information well beyond what is practicable or possible with this framework, at least at this point in time:
 - As for data gaps in sources of contingent liabilities in the financial sector the proposed requirements in the macrofinancial area are intended to help deepen systemic financial risk analysis in Article IV consultations. They respond to the CSR calls for additional work in this area which can also inform assessments of contingent fiscal liabilities coming from systemic financial risks.
 - During the pandemic, public sector support to the private sector increased significantly in many countries, posing risks to the general government balance sheet. However, while the adverse fiscal impact can be substantial during unique events, staff do not currently see the case for imposing new data provision requirements for the private sector outside of financial entities. The main

creditors of households and nonfinancial corporations are typically financial institutions. These liabilities would be covered by the proposed mandatory requirements on credit supplied by financial entities to these sectors. Additionally, the inclusion of additional encouraged indicators for household and corporate indebtedness is intended to further improve data collection on private indebtedness.

- Information required to assess on contingent liabilities from pension and public health care system is typically complex and country-specific, depending on the pension and health care system fragmentation and availability of actuarial studies. A module in the new MAC SRDSF framework will provide some tools that teams may find useful to obtain rough estimates. However, the form of application of these modules and variables needed could vary on a country-by-country basis.

7. While the improvement in International Investment Position and General Government fiscal flows has been noticeable, these data sets still lag considerably. Can Staff elaborate on the key constraints being faced for further improvement?

- The member countries that do not provide IIP and general government data are mostly either small or fragile states (or both). Countries do not provide these data because of capacity constraints. STA continues to provide technical assistance to strengthen statistical capacity in these countries.

FXI data, treatment of confidential information

8. We appreciate staff's efforts to simplify FXI data required, reflecting our concerns over market sensitivity, jurisdictional issue and administrative burden at the previous board discussion. However, we believe that further efforts are required to assure members about market sensitivity before such a data requirement is made mandatory. FX intervention is defined in broad terms as comprising all transactions of FX spot and FX linked derivatives undertaken by the FX authorities regardless of policy purpose. However, such a broad concept may run the risk of misleading the market regarding the authorities' FX transactions and the magnitude of FX intervention. Therefore, we prefer a narrower definition which is limited to FX transactions aiming at affecting value of FX rate. If it is technically difficult to collect comparable FX intervention data as stated in the paper, we would suggest using "FX operations" rather than "FX intervention". Staff's comment is welcome.

- The data provision framework abstracts away from policy intentions. The broad definition is intended to ensure that the data collected is comprehensive and uniform across countries. A narrower definition could undermine the comprehensiveness and comparability of the data.
- The data is intended to inform staff analysis, not to be included in the staff report in its raw form. As part of the surveillance process, staff and the authorities would discuss the

data so that it can be accurately interpreted and the resulting analysis be reported appropriately in the staff report. In case of disagreements, staff reports would also include the authorities' views. This would prevent any misrepresentation of the data.

9. Among the new indicators proposed for Mandatory Provision to the Fund, FXI by other public sector entities at the direction of the central bank is a bit unclear. We would like to know if the requirement is for reporting (i) the aggregate interventions by the central bank together with the interventions by public sectors entities, e.g., public sector banks, on its behalf; or (ii) a separate category for interventions by the public sector entities carried out on behalf of the central bank. If (ii) is true, it may be difficult to share such information due to the market sensitivity surrounding such data. The country authorities may not derive comfort from the Fund's assurance of safeguarding of confidential information.

- The answer is (ii). The aggregate FXI undertaken by other public sector entities, e.g., public sector banks, at the direction of the central bank are in a separate reporting category. The proposed netting and aggregation, periodicity, and timeliness of the reporting hopefully help mitigate concerns about confidentiality and sensitivity.

10. We would appreciate further clarification on FX intervention data and its confidentiality treatment in the Fund to address potential market sensitivity.

- The framework for protecting confidential information within the Fund is laid out in Chapter 3 of the Background Paper for this Board meeting. As noted there, management and staff cannot agree to withhold information from the Fund's Executive Board that is required to be reported under the Articles of Agreement or a Board-established policy or that is necessary for the Board to exercise its responsibility in a meaningful way. However, the Executive Board, Management, and staff cannot disclose non-public information to third parties or the public, unless the information provider consents. Confidential and sensitive data will be handled carefully, and its sharing among staff will be restricted as required by the level of confidentiality requested by the information provider. In drafting staff reports, staff will exercise caution not to inadvertently include confidential information.

11. In this regard, we also enquire about the possibility of having some form of supplementary guidance for the sharing of strictly confidential data with the Executive Board.

12. Is our understanding correct that Executive Directors can access any data that would be provided to the Fund under the updated framework by way of a simple request? Could staff elaborate?

13. Does staff see any option to upgrade the confidentiality framework in order to address these concerns?

- By approving this proposed decision, the Board would convey that the new mandatory data needs to be shared with the Fund, which means the Executive Board. Information

required under Article VIII, Section 5 is generally provided either directly to the Board in the staff report or indirectly through incorporation in staff's analysis. In rare cases, some members have provided sensitive required data directly to the Executive Board, either orally or in numbered documents at the Board meeting on the Article IV consultation for that member. Where information is provided indirectly, any Director may ask that the precise information be circulated to the Board; there is no particular established modality for this. In drafting staff reports, staff will exercise caution not to inadvertently include confidential information.

- With respect to safeguards for information circulated to the Board, Executive Directors are governed by a Code of Conduct requiring them to protect the security of any confidential information provided to, or generated by, the Fund. It would be up to Executive Directors to provide any additional rules or guidance on the Board treatment of such information. Authorities are obliged to ensure that the applicable Fund restrictions on access to these documents and information are respected, including limitations on internal access in accordance with the material's classification as well as no public disclosure or citation of any confidential information.

14. Could staff comment about specific efforts regarding the growing risk of cyber-attacks that might expose FXI data?

- ITD's enterprise Information Security Group (ISG) and Digital Advisory Unit (DAU) monitor cyber threats at the Fund and also advise central banks on cyber resilience. Internally, confidential data provided by members to the Fund such as FXI information requires a risk-based approach that applies defense in concentric circles so that a compromise of a single layer does not provide ready access to other layers of sensitive information. This system is already in place. Having multiple layers of defense reduces risks associated with the successful execution of cyber-attacks. The threat landscape to access any sensitive information, including FXI data, is constantly evolving and requires information security programs to proactively monitor, assess, and adapt to emerging and known cyber risks. This requires an approach where we continuously:
 1. Identify sensitive information and define controls (across people, processes and technologies) to protect the information. Put in place mechanisms to continuously verify that controls are properly designed, deployed, and employed. Existing controls are iteratively improved utilizing lessons learned from the results obtained through verification exercises.
 2. Protect information at multiple points via processes and platforms deployed across the Fund's technology infrastructure.
 3. Proactively detect and thwart attempts to attack and access Fund data and systems
 4. Respond quickly and effectively to minimize a compromise in the technology environment
 5. Reinforce the message that security of Fund data and systems is everyone's responsibility through a periodic and mandatory awareness program.

- With regards to the cybersecurity measures from a central bank's perspective, ITD observes that a good number do invest significant resources into cybersecurity to protect their data. They generally realize the importance of addressing cybersecurity risks and the negative impact to their data, reputation and operational activities. They also generally have a good level of understanding of the impact on the stability of their financial sector. However, we have also learned through these CD and Article IV missions, and have documented in a Working Paper, how some central banks have weaknesses in their operational resilience and security posture. When such weaknesses are detected, we typically work with MCM through CD to advise on improvements needed. Such recommendations focus on the operational functions needed for central banks to be able to maintain data security.

Macrofinancial indicators

15. On new data requirements to be applicable to a subset of the membership, we would like to hear more details from staff on how this country grouping or tiers would impact their access to capital markets or their credit ratings.

- The tiering of requirements for macrofinancial data, according to a member's designation by the Fund as having a systemically important financial sector, is not expected to have any impact on these members' access to capital markets or credit ratings because such designation is already public information.

16. Is there any specific strategy being considered to address the more important data gaps that have already been identified in certain indicators?

- The new data requirements are part of the core Fund's mandate, informed also by the data gaps identified by the 2021 Comprehensive Surveillance Review, and already reflected in CD priorities to a large extent. On public sector statistics, for FY23, STA has planned to deliver 45 single-country missions on Public Sector Debt Statistics to low- and middle-income countries, representing about 30 percent of the total STA CD on fiscal and debt statistics. On FSI, around 30 TA requests from low- and middle-income countries have been received for FY 2023 to help them address data gaps and compile FSIs, which will all be addressed either through dedicated remote or physical missions or via remote TA/support. Remote FSI trainings in collaboration with different regional training centers will be continued and face to face courses will resume once travel becomes possible/feasible. Work also will start on developing an online FSI course to be available on the IMF's website.

17. We would appreciate if staff could elaborate on the analyses which the data on non-bank financial institutions is envisaged to be used for.

- During the discussion of the 2021 Comprehensive Surveillance Review (CSR), Directors agreed on the need to deepen macro-financial analysis and further integrate it into bilateral surveillance. They called for additional efforts in the areas of systemic risk analysis and agreed that Article IV staff reports should provide a well-articulated view about systemic risk grounded in a rigorous analysis of financial vulnerabilities. Delivering on these calls requires assessing all relevant sources of systemic risk, including the non-

bank financial institutions sector, its interconnectedness with the rest of the financial system, the rest of the economy, and the rest of the world. The proposed requirements would help enhance the Fund's macrofinancial surveillance activities in these areas as recommended by the CSR.

Periodicity and timeliness

18. Could staff elaborate on the frequency and main reasons for finding it difficult to reach an understanding with the authorities?

- The DPF framework sets general understandings for the periodicity and timeliness of the data items to be reported to the Fund, based on international statistical standards. At the same time, it provides flexibility to set specific understandings with member countries (that may depart from the general understandings) based on surveillance needs. The absence of a specific understanding does not reflect a divergence of views between staff and authorities, it reflects that the country already has information that conforms to the general understandings, in which case specific understandings are not needed.
- For public sector data, a time lag of two quarters for central government debt data would broadly be consistent with the existing data dissemination practices, while a longer lag of up to three quarters could be considered for data on liquid assets of the central and general government as well as data on debt of general government and NFPCs. Longer lags could be considered especially for general government and NFPCs data because they would require collecting information from various institutions (compared to the central government as one institution). The ability to collect and process the various information depends on the authorities' capacity, and the agreed frequency could differ country by country.
- In the case of FXI, there are no international statistical standards. However, since the data will be primarily used to assess the external sector of the economy, staff proposes that, as a general understanding, the periodicity and timeliness of the FXI data should be aligned with those of the balance of payments data. This would call for the periodicity of the FXI data to be quarterly, with a quarterly lag. With this general understanding in mind, country teams and the authorities could agree on a different periodicity and timeliness to the extent that these do not undermine the surveillance needs.

Transition arrangement

19. Could staff comment on the remaining gaps between the new requirements and countries' possible capacity shortfalls even following the recalibrated transition periods?

- As noted in the Board paper, even after transition periods lapse, the obligation to provide information required under Article VIII, Section 5 is subject to capacity constraints. Therefore, there is no breach of obligation if the member is unable to provide information required under Article VIII, Section 5 or to provide more accurate information than the information it has provided. However, a member that is unable to provide final data is obligated to provide provisional data to the best of its ability until it is in a position to

provide the Fund with final data. When assessing a member's ability to provide information, the Fund will give the member the benefit of any doubt.

- Some countries, especially fragile and small states, will need to continue to receive support to develop capacity over time. The Fund is well equipped to support countries in addressing the remaining data gaps through CD activities as the new requirements fall into the Fund's core mandate. The proposals have been guided by principles requiring that a critical mass of countries already produce such data. Furthermore, proposals build on existing data (e.g., in the case of debt data) and FSI while encouraging to provide more granularity in alignment with the Data Standards Initiatives.

20. Could staff elaborate on the criteria for the chosen transition periods in the new categories of data.

- Transition periods are meant to acknowledge capacity and other constraints indicated by the authorities, in addition to the fact that we are still facing a pandemic. Although some member countries proposed longer transition periods in the survey than what is proposed under the Board paper, there is considerable heterogeneity across countries. The Fund could miss opportunities for better surveillance if the transition periods are set at the longer end. Even after the transition period has elapsed, members that do not provide the required data due to capacity constraints would not be in breach of their obligations under Article VIII, Section 5, although they would be expected to expand their capacity over time to fulfill the requirements.
- For public sector data, the transition periods reflect the current data availability and potential difficulties in producing some of the indicators. The three-year transition period is expected to provide enough time for capacity development, legal changes, and changes to information systems. The five-year transition period is chosen for the general government guaranteed debt, considering its limited availability compared to other indicators.
- In the case of most FSIs and other depository institutions' data and residential real estate price index, a transition period of one year seemed sufficient considering the wide availability of these data. For data on other financial corporations and the net open FX position to capital (part of the FSI list), a longer transition period of three years would be more suitable.
- For FXI data and other central bank transactions (swaps and repos with other central banks), the transition period of one year was proposed to give members time to address any legal constraints, either internally or cooperatively with their counterparts.

Capacity Development, resource implications

21. Could staff elaborate on resource allocation for CD related to the new data requirement in the medium-term budget and beyond?

22. As staff foresees extensive CD to be required to implement the DPF, we are wondering if and how this has already been included in CD planning for the next FY and the recent board discussion of CD priorities.

- The allocation of CD resources follows the Board endorsed CD governance arrangements and is guided by continuous re-prioritization made by country teams in consultation with CD departments. The new data requirements are part of the core Fund's mandate and already reflected in CD priorities to a large extent. Moving forward, the new data provision requirements will likely further increase demand for CD in these areas, and staff will continue to stand ready to assign high priority to such CD requests from country authorities that ask for support to meet the new data requirements. With CD intervention firmly demand-driven, STA envisages in the medium-term budget framework to accommodate related CD requests.

23. Can staff comment on what measures or guidance can be put in place to ensure an effective feedback loop between surveillance and capacity development in data provision?

- In cases where data adequacy for surveillance is assessed as weak, the country team is expected to be candid in the rating and discuss the issues with the authorities. This in turn would inform country team/AD priorities for CD intervention to be communicated to STA. STA informs the country team before the TA mission and when the TA report/project is completed. As highlighted in the DPF paper, the more structured and transparent assessment of data adequacy for surveillance will strengthen the feedback loops further integrating CD and surveillance.

24. Could staff elaborate further on the adjustments made to better match the new data requirements to member countries' capacity? How does staff envisage providing the needed capacity development to the countries that are currently behind and are likely to face challenges in meeting the new data requirements?

- CD delivery will continue to support members to increase their capacity on data issues, with a greater focus on low-income countries and fragile states, supported by donor initiatives such as the Financial Sector Stability Fund (FSSF) launched in 2017 and the Data for Decisions Fund (D4D) in 2018. In this context, under the Fund CD governance arrangements, the allocation of CD resources is guided by continuous prioritization made by country teams in consultation with CD departments. Any new data needs will inform decision-making by country teams and functional departments taking account of the full spectrum of the evolving surveillance priorities for each individual case. The new data adequacy assessment will also help prioritize capacity development.

25. We support staff's efforts to supplement countries' efforts, through designated capacity development, including technical assistance and training on the statistical front. However, the inclusion of statistical aspects when providing CD on policy issues can be more cost-effective in some cases. Could staff suggest if such a practice is common?

- Provision of CD in statistics may be more cost-effective if delivery modality retains virtual engagement in the post-pandemic period. STA routinely also participates in Article IV and program missions, with participation often including an element of capacity development in statistics, a practice that has continued in virtual Article IV missions.

26. Looking at Figure 4 p.13 in the main report, could staff further elaborate on the impact of the pandemic or other factors in the levelling off in the number of new CD delivery financed by the D4D Trust funds and in the data dissemination through a Specialized Data Portal in recent years?

- While the amount of CD delivered has leveled off during the pandemic, the number of CD activities has been rising again, with a shift in demand towards shorter interventions, including many ad hoc requests for assistance to address urgent challenges to statistical business continuity, for example, when surveys to compile the CPI became unavailable due to lockdowns. In contrast, demand for the more traditional multi-year CD projects with medium-term objectives has been weaker since outset of the pandemic. For example, national statistics agencies, which are often underfunded to even fulfill their tasks in normal times, found it difficult to continue resource-intensive multi-year projects for the re-basing of GDP as scarce administrative resources have shifted to immediate business continuity challenges. This also affected CD on data dissemination, which requires a concerted effort by a number of government institutions (central bank, ministries of finance and economy, statistics agencies). Promptly informed by staff early in the pandemic, the Data for Decision Fund (D4D) donors have provided greater flexibility to reallocate resources away from the traditional multi-year projects towards shorter CD interventions such as ad hoc requests or short webinars on topics of particular relevance during the crisis. Once the challenges from the pandemic ease, STA expects demand for the more resource intensive multi-year projects to recover.

27. However, we are concerned regarding resource implications for FCS, and we would appreciate staff's views there. We also noticed in Figure 2 that when comparing between pre-covid and during the pandemic period, data provisioning to the fund has either improved or remained the same in all areas except for 'Central Bank Balance Sheets' we would therefore appreciate staff's views there.

- In Figure 2, the difference between 2020-21 and previous periods was only one country. While we have not seen a delay in provision, we saw a short delay on publication mainly concerning central bank survey data (Figure 12 or the Tenth Review of the Data Standards Initiatives" Board Paper), likely reflecting the fact that these data categories have the shortest timeliness requirement.

Collaboration with external partners

28. We appreciate specific comments by staff regarding the collaboration with the World Bank.

- The Fund (through STA), and the World Bank have been closely collaborating on climate change issues from the development stages of IMF Climate Change Indicators

Dashboard, which was launched in April 2021. Furthermore, on the international statistical methodological standards, the Fund and the WB collaborate within the UN Committee on Environmental and Economic Accounting and part of the Technical Expert group developing the ecosystem accounting framework.

- On digitalization, the Fund/STA participates in the System of National Accounts Taskforce aiming at better quantifying the economic impact of digitalization (the growth in e-commerce, digital trade, the emergence of digital intermediary platforms and the use and value of data) and works on a dedicated workstream aimed at developing a methodology to record crypto assets and Fintech in macroeconomic statistics to which the World Bank participates as one of the international organizations working on the update of the International Statistical Standards (as a member of the Inter Secretariat Working Group on National Accounts).
- Inequality. An important aspect of the ongoing update of the System of National Accounts is to develop estimates of the distribution of household income, consumption and wealth across socio-economic populations. These distributional estimates will provide the Fund and national institutions with important indicators of economic inclusion. In addition, important changes related to the recording of unpaid household work and informal economic activities are also being considered. The IMF is collaborating closely with the World Bank, the OECD, the UN, Eurostat and national authorities on these workstreams.
- The Fund and the World Bank also collaborate in the context of a new G-20 Data Gaps Initiative, planned for later in 2022. This workplan includes recommendations to close data gaps concerning: (i) climate change; (ii) household distributional information; (iii) fintech and financial inclusion; and (iv) access to private sources of data and administrative data, and data sharing. The World Bank (jointly with the IMF) is the lead agency for the recommendation on Fintech-enabled Financial.

Other

29. We take positive note that there have been only a limited number of instances of poor compliance or even non-compliance by Fund members with the requirements of the Data Provisioning Framework in the past. We agree to review the framework to deal with such cases at a later stage. Staff comments on the intended timeframe to address issues of noncompliance are welcome.

- As mentioned in the Board paper, the Fund's framework on noncompliance will be considered in future reviews of the Data Provision to the Fund or it will be addressed in a stand-alone policy paper, when resources allow. The timing of the next review or the timing of the preparation of the stand-alone paper is not determined.

30. Although the fund is the primary user of the DPF, it would have been more appropriate to involve membership in the process of reviewing the framework. A mere survey with low return rates could not be a substitute for a consultation-

based approach with those member states for whom implementation of the new framework will be mandatory. Staff's comment is welcome.

- Staff has conducted extensive consultations with the Fund membership, including through two informal Board meetings to engage (in 2019 and 2021) and several rounds of bilateral meetings with Executive Directors. Staff work has also benefited from the survey of authorities, which was suggested by several Executive Directors during the 2021 informal engagement. The response rate to the survey was about 50 percent on average, which compares favorably with other surveys of this type. In addition, staff liaised closely with the IMF country teams to further deepen understanding of data availability in each country. All in all, staff used numerous engagements to formulate the DPF proposals and adjusted the proposals based on useful feedback received at these meetings and consultations, as further elaborated in the paper.
- 31. We see some sense of inconsistency and lack of sequencing between the DPF and the IMF Data Standard Initiatives (DSI), in terms of the authorities' burden and capacity, considering that about 40% of items that were considered to be "encouraged" even for the SDDS Plus (highest tier) countries at the latest DSI Board meeting held only two weeks ago are now proposed to be "mandatory" for all member countries under the DPF. Staff comments on their reasonings and intentions would be appreciated.**
- The frameworks have fundamentally different purposes. The mandatory provision of data to the Fund is governed by the Articles of Agreement strictly aimed to ensure that the Fund is provided with the data necessary to conduct its activities, while the DSI is oriented to promote a timely flow of data to markets and the public with a view to accelerate the dissipation of macroeconomic imbalances and market disequilibria. The data needs for surveillance are often more extensive—in terms of volume, detail—than those of the DSI to allow staff to perform in-depth analysis and provide policy advice, including on an urgent basis for crisis-prevention. For instance, the breakdown of debt by creditor type allows staff to analyze more precisely rollover risks.
 - While provision to the Fund of the information required under Article VIII is mandatory, country teams have invariably enjoyed the commendable cooperation of authorities to obtain official data that often exceeds by a large margin the minimum required under Article VIII.
 - While both frameworks (DPF and DSI) are focused on official data, the timing and frequency of data provided to the Fund is not set/or fixed but rather strictly depends on the evolving surveillance needs of the Fund and may be considerably more ambitious as surveillance is a continuous activity and teams requires much more timely data (even if more preliminary) than specified under the DSI.
- 32. Probably, the proposed timelines are based on a survey administered to country authorities. Can survey results be shared with the Board?**
- Survey results for an individual member can be shared with the relevant Executive Director.

CONSTITUENCY CODES

OEDAE

Angola, Botswana, Burundi, Eritrea, Eswatini, Ethiopia, The Gambia, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Uganda, Zambia, and Zimbabwe

OEDAF

Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Republic of Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé & Príncipe, Senegal, Togo

OEDAG

Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay

OEDAP

Australia, Kiribati, Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Seychelles, Solomon Islands, Tuvalu, and Vanuatu

OEDBR

Brazil, Cabo Verde, Dominican Republic, Ecuador, Guyana, Haiti, Nicaragua, Panama, Suriname, Timor-Leste, and Trinidad and Tobago

OEDCC

China

OEDCE

Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, and Spain

OEDCO

Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines

OEDEC

Austria, Belarus, Czech Republic, Hungary, Kosovo, Slovak Republic, Slovenia, and Turkey

OEDFF

France

OEDGR

Germany

OEDIN

Bangladesh, Bhutan, India, and Sri Lanka

OEDIT

Albania, Greece, Italy, Malta, Portugal, and San Marino

OEDJA

Japan

OEDMD

Afghanistan, Algeria, Ghana, Islamic Republic of Iran, Libya, Morocco, Pakistan, and Tunisia

OEDMI

Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Maldives, Oman, Qatar, United Arab Emirates, and Yemen

OEDNE

Andorra, Armenia, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, Luxembourg, Moldova, Montenegro, Netherlands, Republic of North Macedonia, Romania, and Ukraine

OEDNO

Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden

OEDRU

Russian Federation and Syrian Arab Republic

OEDSA

Saudi Arabia

OEDST

Brunei Darussalam, Cambodia, Fiji, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Philippines, Singapore, Thailand, Tonga, and Vietnam

OEDSZ

Azerbaijan, Kazakhstan, Kyrgyz Republic, Poland, Serbia, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan

OEDUK

United Kingdom

OEDUS

United States