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August 30, 1996

To: Members of the Executive Board

From: The Secretary

Subject: **Draft Progress Report to the Interim Committee on Data Dissemination Standards**

Attached for consideration by the Executive Directors is a draft progress report to the Interim Committee on data dissemination standards, which is tentatively scheduled for discussion on Monday, September 16, 1996. Questions for discussion appear on page 6.

The public opening of the Dissemination Standards Bulletin Board (DSBB) has been postponed to the week of September 16, 1996, in light of the longer-than-expected time needed for the iterations between country representatives and Fund staff in reaching countries' final approval of the metadata to be posted on the DSBB. The demonstration of the DSBB, using metadata that has already been sent to countries for final approval, for the Executive Board will take place as previously scheduled: on September 3, at 3:00 p.m. in the Board Room. At this stage, 33 countries have subscribed to the Special Data Dissemination Standard comprising a mix across industrial and emerging market countries. For most, the iterative process of preparing metadata for the DSBB is under way, and for many it is nearing the stage of finalization.

Mrs. Carol Carson (ext. 37952) or Mr. O. Evans (ext. 37183) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

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INTERNATIONAL MONETARY FUND

Draft Progress Report to the Interim Committee on Data Dissemination Standards

Prepared by the Statistics Department and the
Policy Development and Review Department
(In consultation with other departments)

Approved by John B. McLenaghan and Jack Boorman

August 30, 1996

I. INTRODUCTION

1. Following the Executive Board's approval of the Special Data Dissemination Standard (SDDS) on March 29, 1996 and the Managing Director's letter of invitation to member countries to subscribe to it, the standards initiative has been carried forward by several staff activities to assist countries in considering their possible subscription and to prepare for the opening of the Dissemination Standards Bulletin Board (DSBB). These activities were reported to the Board in two brief updates in June and August.¹

2. As of August 29, 1996, 33 countries have subscribed to the SDDS. They are listed below.

Argentina	Finland	Lithuania	Singapore
Australia	France	Malaysia	Slovenia
Belgium	Hungary	Mexico	South Africa
Canada	Iceland	Netherlands	Sweden
Chile	Ireland	Norway	Switzerland
Colombia	Israel	Peru	Thailand
Croatia	Italy	Philippines	Turkey
Denmark	Japan	Poland	United Kingdom
			United States

¹SM/96/153 (June 26, 1996) reported on the completion of the module of the *Guide to the Data Dissemination Standards* about the SDDS (the first of three modules), the proposed presentation of three regional seminar-workshops, work on the DSBB, and plans for the General Data Dissemination Standard. SM/96/153 Supplement 1 (August 15, 1996) reported on the outcome of the seminars, the status of subscriptions to the SDDS, and the prospective opening of the DSBB.

3. Most of these have submitted metadata for presentation on the DSBB, and the process of iteration between country representatives and Fund staff is underway. The DSBB is scheduled to open to the public during the week of September 16.

4. Section II of this paper raises three points for the Board's consideration that reflect the most recent phase of the staff's work on dissemination standards. Section III suggests questions for discussion. Appendix I provides a draft progress report from the Managing Director to the Interim Committee on the data dissemination standards initiative, which the staff will revise in the light of the discussion of Section II.

II. FURTHER CONSIDERATIONS

A. Country Reactions and Adjustments During the Transition Period

5. Starting with the letters of subscription that were received in mid-April, member response to the invitation to subscribe to the SDDS has been positive. In the regional seminar-workshops conducted by the staff in June/July and attended by 53 countries, participants showed substantial interest in using the SDDS as a framework for the improvement of their data and their dissemination practices. This interest has carried through to the considerable work that has been done in preparing the metadata for the DSBB in a timely and responsive way.² The number of countries that are likely to appear on the DSBB at or near its opening will be further evidence of strong member support for the SDDS.

6. Within the context of the positive response the SDDS has received, several points may be noted about country reactions to specific elements of the SDDS and the adjustments to be undertaken by countries during the transition period that runs through the end of 1998. With respect to the coverage, periodicity, and timeliness dimension of the SDDS, the specifications that presented the most common and difficult problems were for the general government/public sector operations data and the national accounts. For data on the general government/public sector, a number of countries do not have adequate coverage of state/provincial and local government, especially coverage on a timely basis (the SDDS prescribes annual data to be disseminated within two quarters of the end of the reference year). Because speeding up the availability of these data is difficult, several countries are

² The role of technology in assembling the metadata for the DSBB might also be noted. Templates in several word processing formats were distributed to countries to expedite work on metadata. These templates facilitated transmissions back and forth between the country and the staff using Internet e-mail, providing a substantial saving in time, without which the work could not have otherwise been completed on schedule, and cost.

taking a flexibility option ³ on timeliness for this category (while, of course, providing as broad a coverage as possible on as timely a basis as possible).

7. The national accounts are seen to be a major problem because there is no flexibility available with respect to periodicity for this data category. In particular, in several countries with large agricultural sectors, the introduction of quarterly accounts would often require the development of additional source data and adaptation of estimating techniques. This would be a substantial long-term undertaking, and a number of countries expressed the view that technical assistance would be essential if they were to feel confident of their ability to introduce quarterly accounts by the end of the transition period. The staff is actively exploring the possibilities of arranging this technical assistance beginning within the current fiscal year. One response under consideration is the organization of a seminar (similar to the recent seminars involving the Fund and another international organization organized for the Baltic countries, Russia, and other countries of the Former Soviet Union) followed by a series of expert visits to interested countries. At the present time, however, these efforts could only be undertaken with a corresponding cutback in other areas. It is likely that requests for technical assistance in other areas of statistics, as a result of members' interest in the SDDS, will be forthcoming. In this regard, consideration could be given to establishing a special subaccount within the Framework Administered Account for technical assistance activities, to which countries subscribing to the SDDS and interested in technical assistance in statistics, as well as other interested donors, would be asked to contribute.

8. In addition, the specification of daily dissemination (or re-dissemination) of stock market data, interest rates, and exchange rates carries with it a requirement that a number of countries adjust their present practices. The broad scope of dissemination as defined in the SDDS--including recorded telephone messages and public statements of availability of daily data upon request--seems to be providing an appropriate degree of flexibility.

9. As was expected, relatively few countries prepare a complete international investment position (IIP). In some cases, the metadata pages identify the partial data (such as the asset and liability positions of the banking sector and the government) that are disseminated, their characteristics, and how to access them--all useful information both to data users and other producers. A number of countries have responded constructively with well-thought-out plans to work toward the dissemination of the IIP.

10. With respect to the dimensions of access, integrity, and quality, a few countries continue to have questions about the desirability of disseminating advance releases calendars, as called for by the SDDS. On the other hand, at the seminar-workshops, representatives of countries that follow this practice voiced their support for it. It is likely that a continued

³ A flexibility option under the SDDS allows countries, within set limits as to the number of data categories, to disseminate data less frequently and/or on a less timely basis than prescribed by the SDDS.

sharing of countries' experiences with this practice will be useful. Also, some countries have not found it easy to identify and describe in the metadata, as is called for in the SDDS, the practices that give signals to the public about the integrity of the data compilation and dissemination processes. In this regard, country representatives at the seminar-workshops welcomed the examples of various country practices dealing with access, integrity, and quality made available to them and encouraged work on the module of the *Guide to the Data Dissemination Standards* that is intended to provide in-depth discussion of these dimensions, which are part of the special standard and expected to be an important part of the general standard.

B. Links to Country Data from the DSBB

11. At the Board's informal session 96/2 (January 24, 1996), Executive Directors generally took the view that electronic data dissemination by countries, particularly in association with the metadata on the DSBB, would be highly desirable. Directors encouraged the staff to present specific proposals.

12. At present, the DSBB provides information about how countries disseminate the data categories that are both prescribed and encouraged under the SDDS. Each base metadata page includes a section that identifies the formats (including electronic ones) in which that data category is disseminated, and the dissemination formats page provides supporting information about how to obtain the data, including addresses of Internet sites in cases where they exist. (See Appendix II for the dissemination formats page of a hypothetical country). Thus, in its present form, the DSBB facilitates access to electronic media, albeit passively and neutrally as between Internet and other formats.

13. Many potential users of the DSBB consulted by the staff stressed the value of linking actual country data with the metadata on the DSBB. The staff shares the view that links would be a great convenience to users, who could access the Fund's site as a starting point for visiting various country data sites. Such sites would be of even greater use if there was a move toward common formatting of data. Further, such links would help to answer the challenges of bringing data available electronically together with the information needed for their appropriate use, which in the past was often available only in hardcopy and often from diverse sources.

14. Since the Board's earlier discussions, it has become clearer that hyperlinks ("point and click" connections) are in increasingly wide use.⁴ The staff proposes that the DSBB, beginning on a predetermined date (to be specified after further consultations with countries,

⁴ For example, an increasing number of the World Wide Web sites of national statistical offices provide hyperlinks to the Web sites of other statistical offices, and EUROSTAT's Web site provides hyperlinks to the sites of the statistical offices of many of the members of the European Union.

but preferably in the spring of 1997), provide hyperlinks from their DSBB country page to a World Wide Web site on the Internet for those countries that wish to have the link and that are willing to post on their site a summary table/page corresponding to the data categories identified on the DSBB.⁵ A forward date for the introduction of the hyperlink would give countries and the staff time to agree on a set of parameters for the format of the summary table/page. The parameters would be expected to permit countries to provide only a few observations (e.g., the latest observation and the previous two) in order to minimize any impact on revenue from data sales, and they would set the minimum expectations with respect to the degree of correspondence with the DSBB data categories to be eligible for the hyperlink. The summary table/page could be the sole item on a country site or part of a broader menu of information provided by the country. The forward date would also give countries that do not yet have a Web site some time to complete or develop one.

15. This proposal is consistent with the direction in which countries subscribing to the SDDS seem to be moving. Some countries are developing new Internet sites, and some others are adding additional current data to their Internet menus.⁶ Establishing and maintaining hyperlinks would not be a major drain on Fund staff resources. It may lead to requests for assistance in setting up sites, which would call for decisions about whether the Fund would provide technical assistance, promote more sharing of information about the technology among interested members, or facilitate members' efforts to contact commercial vendors.

C. Work Plan for the General Standard

16. *The General Data Dissemination Standard (GDDS) has been described as a goal for the improvement of economic and financial statistics toward which the Fund will continue to work with all its member countries. A survey of practices in 120 countries conducted by the staff in February 1996 provided some limited basis for establishing specifications for the GDDS. Resident representatives and statistical advisors are being asked to follow up in countries for which responses were partial (sometimes only one agency of the several that produce statistics responded) or not forthcoming. In addition, to complement the information that has been assembled at the seminar-workshops and on missions, some additional focused consultations with representative members in regions not yet visited during the standard initiative are needed.*

17. In light of the staff resources that continue to be devoted to readying the metadata for the launch of the DSBB, the required consultations and other work on the GDDS has had to give way. It is now proposed that the further country consultations take place in the period

⁵ The proposal for a hyperlink would not, unless the country so wished, replace the provision of any existing Internet addresses on the dissemination formats pages for the data categories.

⁶ There may also be scope for commercial operations in this area, and development of such possibilities would be welcomed by the staff.

during and immediately following the Annual Meetings as part of the basis for a paper on the GDDS to be distributed to the Board by the end of 1996. The Board's discussion, under this proposal, would take place in early 1997, rather than before the end of 1996 as envisaged earlier.

III. QUESTIONS FOR DISCUSSION

18. Directors may wish to comment on the country reactions to the SDDS noted above and the adjustments to country practices that will be needed to meet the standard. The technical assistance implications of the standards initiative had been raised, both by the staff and Executive Directors, in earlier meetings. Do Executive Directors have views with respect to the modalities for financing technical assistance in statistics, such as quarterly national accounts, that members are identifying?

19. The paper presents a proposal to introduce hyperlinks from the DSBB to country data sites on the Internet for countries that wish to have such links and that provide a summary data presentation that corresponds to the coverage of the data categories of the DSBB. The introduction of the hyperlink would become effective as of a date to be specified that would allow countries to expand their Internet sites or to introduce sites to which the hyperlink would be made. Do Executive Directors support this proposal?

INTERNATIONAL MONETARY FUND

Data Dissemination Standards
Managing Director's Draft Progress Report to the Interim Committee
on Standards for Dissemination of Economic and Financial Data

September --, 1996

1. At the April 22, 1996 meeting of the Interim Committee, I reported to you that the Executive Board had approved the establishment of the Special Data Dissemination Standard (SDDS) for members having or seeking access to international capital markets and had agreed in late March to the opening of subscriptions on a voluntary basis. The Committee welcomed the establishment of the SDDS.
2. The staff has moved since then to assist countries in evaluating their data dissemination practices with a view to reaching a decision on whether to subscribe to the SDDS and, if they decided to subscribe, to guide them in the preparation of the so-called metadata to support their subscription. The first of three modules of the *Guide to the Data Dissemination Standards*, which explains the elements of the SDDS and the associated electronic bulletin board, was sent to all Fund Governors and members in May. In June and July, three seminar-workshops on the SDDS were held in Geneva, Bangkok, and Santiago and drew 150 participants from 53 countries.
3. Member countries have followed through strongly. They have assessed their dissemination practices against the good practices embodied in the SDDS, and subscribing members have prepared their supporting materials--the so-called metadata--for the bulletin board in a timely and responsive manner.
4. The Fund opened the Dissemination Standards Bulletin Board (DSBB), a key feature of the standards initiative, on the Internet on September []. The staff demonstrated this new service in several international financial centers and undertook other activities to help ensure that potential users were aware of its potential. When it opened, the DSBB described the dissemination practices followed by [--] member countries that subscribe to the SDDS. The countries are representative of a broad range of the membership--the majority of the industrial countries as well as the emerging market developing and transition countries. The usefulness of the board will be enhanced when, [in the spring of 1997], it becomes possible for users to link directly from the IMF's bulletin board to data available at country Internet sites.
5. As requested by the Interim Committee, we are proceeding with work on a general data dissemination standard to complement the special standard. Although considerable work has been done, further consultations with producers and users of data will be undertaken in the coming weeks to help provide a fuller basis for establishing a set of standards to represent a goal for improvements in economic and financial statistics toward which the Fund will continue to work with all its members. I expect to report to the Committee in April 1997 on the completion of the work on the general standard and the supporting modules of the *Guide to the Data Dissemination Standards*.

Prototype Dissemination Formats Page

Last EBB update: 12/15/95

Country X x x x x

Data category Y y y y y y

National descriptor N n n n

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 Capital City, X xxx
 Phone: (00) 000 0000
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Hardcopy

- (x) News release: Available to the media; call the above phone number.
- (x) Weekly bulletin: "Weekly Statistical Update," available by subscription, free of charge, from the above address
- () Monthly bulletin:
- () Quarterly bulletin:
- (x) Other: Recorded telephone message, (00) 000 3282
Updated at 18:00 (local time) daily

Electronic

- (x) On-line country bulletin board or database:
Internet address: <http://www.stat.xxx>. This Web site carries summary tables for category Yyyy
- () Diskette:
- () CD ROM:
- (x) Other: Summary tables faxed by subscription, at the time of release. For further information, call the above phone number.