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Summing Up by the Acting Chairman
The General Data Dissemination System
Executive Board Meeting 97/28
March 26, 1997

Executive Directors endorsed the thrust of the staff proposal on the framework for the General Data Dissemination System (GDDS). They generally agreed with the staff's pragmatic and flexible approach, which recognized the diverse characteristics and capabilities of potential GDDS countries. In particular, Directors welcomed the primary focus of the GDDS on encouraging members to improve data quality and systems for the production and dissemination of statistics. They considered it appropriate for the GDDS to provide a broad framework to guide members in the development of their systems for the production and dissemination of economic and financial statistics, and to do so in a way that avoided being unduly prescriptive, specific, and detailed. Directors observed that improvements in statistical infrastructure for data compilation and dissemination could be far-reaching and could take considerable time to implement. The GDDS, by incorporating a good-practice standard for data production and dissemination, would also serve as a useful guide both for countries in developing their statistical systems and for data users in assessing participating countries' practices.

Directors agreed that participation in the GDDS should be voluntary and should involve provision of metadata that would facilitate assessments by data users of members' practices against the objectives of the General System and would also permit tracking of their progress in introducing needed improvements.

Directors agreed with the staff proposal that the specifications for coverage, periodicity, and timeliness of data for the GDDS should be less prescriptive than for the Special Data Dissemination Standard (SDDS) and should distinguish between improvements in broad statistical frameworks, on one hand, and indicators, on the other. Directors agreed, in particular, that the General System should emphasize efforts to improve data quality. Several Directors expressed concern that the specifications for certain data categories appeared to be too ambitious. In addition, several Directors made suggestions concerning the specification of certain data categories, including more disaggregated national accounts, broader coverage of the fiscal sector (to include government-guaranteed debt, state governments, and off-budget items) and provision of a breakdown into domestic and foreign financing, and more detailed balance of payments (such as private remittances and capital accounts data). The staff will consider these suggestions in its future work. Many Directors accepted the staff suggestion that social and demographic data should be included in the General System, but several expressed concern that this proposal seemed to be taking the Fund into an area beyond its customary economic and financial domain. These Directors pointed out that other international institutions had expertise in the areas of social and demographic data. I can

assure Directors that development of statistics in these areas, including technical assistance, will fall to other institutions. More generally, Directors emphasized the importance of close coordination with other international and regional organizations in assisting members to improve their statistical systems.

Directors strongly supported the principle for all countries of equal access to data by users and the importance of advance release calendars, while also accepting that the intensity of focus on the precise timing of data release might be less in many General System countries than for SDDS countries. Nevertheless, some Directors suggested that it would be desirable for the GDDS to specify more timely release dates for a limited set of core data. Directors supported the proposed approach to the integrity dimensions of the GDDS, based on transparency and provision to the public of information by countries about their practices. With regard to the quality dimension of the GDDS, Directors generally agreed with the proposed approach of emphasizing provision of information by statistical agencies concerning documentation of statistical methodologies and cross-checks. Some Directors noted the importance of setting up a legislative framework to underpin the establishment of an effective statistical structure. Directors emphasized the importance of encouraging GDDS countries to move toward internationally accepted methodologies in the preparation of economic and financial data, and underscored the potentially important role of technical assistance from the Fund and other agencies in that connection. In that regard, several Directors welcomed the proposed seminars to provide further guidance on the GDDS to members' statistical authorities.

Drawing on the encouraging experience with the SDDS and its associated Dissemination Standards Bulletin Board, Directors generally agreed that it would be important for the General System to include a framework for public dissemination of information about the statistical practices of participating countries. Most Directors agreed that an electronic bulletin board could be considered. Several Directors noted that it would be important for the Fund to make clear to the public the differences between the GDDS and the SDDS and to avoid a perception that participation in the GDDS implied a Fund seal of approval of members' statistics or statistical practices. At the same time, some Directors thought that the Fund should disseminate information about a country's statistical practices only after sufficient improvements had been made in the country's practices. Directors generally welcomed the support that would be given for a country's efforts to improve its data by the Fund announcing, at an appropriate time, a country's participation in the GDDS. Directors looked forward to specific staff proposals on these issues.

Directors took note of the estimates of resource implications provided in the paper, while emphasizing that much would depend on the speed with which members signed on to the GDDS. There were many expressions of concern regarding the possible budgetary burden that could arise both for the Fund and for member countries. On balance, Directors agreed with the measured pace of implementation envisaged by the staff, noting that this would not only serve to smooth out the resource demands associated with implementation but also seemed realistic in light of the absorptive capacity of many of the potential GDDS countries. It

was stressed that member countries would need to call not only on the Fund but also on other institutions for the provision of technical assistance that might be required.

Directors agreed with the work program envisaged by the staff. In light of the points raised in today's meeting and further staff work that needs to be done in the coming months, Directors agreed that the summing up for today's meeting should serve as a report to the Interim Committee. Directors also looked forward to the early preparation of a paper that would present a specific proposal for Board approval that would establish the GDDS. The Managing Director will also report to the Interim Committee on progress on the SDDS; this report will be circulated to Executive Directors.