

SM/96/83
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April 5, 1996

To: Members of the Executive Board

From: The Secretary

Subject: Standards for the Dissemination of Economic and Financial
Statistics to the Public by Member Countries and
Implementation of the Special Data Dissemination Standard -
Appendices II-IV

Attached for consideration by the Executive Directors are Appendices II, III, and IV to the paper on further considerations of the standards for the dissemination of economic and financial statistics to the public by member countries and implementation of the special data dissemination standard, which is tentatively scheduled for discussion on Friday, April 12, 1996.

Ms. 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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BUFF/96/43

April 5, 1996

**Summing Up by the Acting Chairman
Standards for the Dissemination of Economic and Financial Statistics
to the Public by Member Countries:
Progress Report and Implementation of the Special
Data Dissemination Standard
Executive Board Meeting 96/30 - March 29, 1996**

Executive Directors noted that the Interim Committee, in its communique of October 8, 1995, had endorsed the establishment by the Fund of standards to guide members in the publication of their economic and financial data. Those standards would consist of two tiers: a general standard, and a more demanding standard, now designated as the Special Data Dissemination Standard (SDDS). They recalled that the Interim Committee had called for Fund members to have the opportunity to subscribe to the SDDS by the time of the April 1996 Interim Committee meeting. It was now clear that this objective could be met.

Directors were gratified by the speedy staff work that had gone into the data dissemination initiative and also for the widespread consultation with users and producers of statistics, national authorities, and other international organizations that had been undertaken in preparation of the specific staff proposals.

Directors welcomed the progress report provided in SM/96/60, and the staff proposal for the establishment of the SDDS. They recognized that the establishment of the SDDS was an important new step for the Fund and for its membership. Directors emphasized that in the initial phase the approach to its implementation would inevitably need to be both flexible and evolutionary.

In light of the above considerations, the Executive Board approved the establishment of the SDDS, whose scope and operational characteristics are set forth in a draft Annex to be revised in the light of further consideration of the issues raised below. Directors agreed to the immediate opening of subscription on a voluntary basis to the SDDS and to a transition period ending December 31, 1998. The Dissemination Standard Bulletin Board (DSBB) would open to public access once the metadata for the critical mass of 15 to 20 countries that subscribed to the SDDS were ready. Directors welcomed the preliminary indications that had been provided suggesting that a number of members, already close to the critical mass, intended to subscribe to the SDDS. Directors also welcomed the preparation by the staff of an operations manual that would soon become available.

Many Directors observed that the SDDS was ambitious. At the same time, Directors welcomed the several aspects of flexibility built into the standard. They also noted that reviews of the operation of, and experience with, the SDDS would provide the opportunity

to make adjustments that might be called for as experience accumulated throughout the transition period.

In their comments on specific aspects of the SDDS, Directors asked that further consideration be given to the following issues:

First, a number of Directors suggested the need to relax the prescribed specification for the timeliness of merchandise trade from six weeks to eight weeks. Subscribing countries nonetheless should be encouraged to disseminate trade data more quickly than eight weeks in light of the importance of merchandise trade as a category tracking the balance of payments.

Second, a suggestion was made for some tightening of the monthly periodicity of data on international reserves.

Third, several Executive Directors suggested that some additional flexibility would be desirable with respect to advance release calendars. In this regard, the staff was asked to consider further a proposal whereby a subscribing country that could not identify a specific release date for a specified data category would so indicate on the DSBB and provide the reasons; in such cases, a subscriber would be encouraged to provide notice of release to the public at least 24 hours in advance.

Fourth, several Directors also expressed concern about certain of the procedures proposed for dealing with cases of non-observance of the SDDS and asked the staff to develop further proposals that would provide for the involvement of the Executive Board at an early stage of the process.

A summing up following the Board's further consideration of the above issues, an Annex to the summing up describing the scope and operational characteristics of the SDDS, and an edited version of Sections III and IV of SM/96/60 would be distributed to all members and circulated outside the Fund. In addition, a letter will be sent by the Managing Director to all member countries inviting them to subscribe to the SDDS. Also, a brief report will be prepared for the April 1996 meeting of the Interim Committee. The Fund staff will continue work on the elaboration of the general data dissemination standard, which is to be considered by the Board by the end of 1996.

Special Data Dissemination Standard

I. Purpose and Framework

The purpose of the Special Data Dissemination Standard (SDDS) is to guide member countries in the provision to the public of comprehensive, timely, accessible, and reliable economic and financial statistics in a world of increasing economic and financial integration. The SDDS thus comprises four dimensions: (a) coverage, periodicity, and timeliness of data; (b) access by the public; (c) integrity of the disseminated data; and (d) quality of the disseminated data. For each of the four dimensions, the SDDS prescribes good practices that can be observed, or monitored, by users of statistics.

II. Dimensions of the SDDS

1. Coverage, periodicity, and timeliness of data

Comprehensive economic and financial data, disseminated on a timely basis, are essential to the transparency of macroeconomic performance and policy.

a. Definitions and general considerations

(i) Coverage

In respect of coverage, the SDDS focuses on basic data that are most important in shedding light on economic performance and policy in four sectors across the economy--real, fiscal, financial, and external. The SDDS focuses on the minimum coverage necessary, but countries are encouraged to disseminate other data that may increase the transparency of economic performance and policy in general and for their own economic and financial situations in particular.

For each of the four sectors, the SDDS provides:

(a) a comprehensive statistical framework--national accounts for the real sector, government operations for fiscal data, analytical accounts of the banking system for financial data, and balance of payments accounts for external transactions;

(b) data that permit tracking of the principal measures in the comprehensive frameworks; and

(c) other data relevant to the sector.

These other data are often in the form of a price, including interest rates and exchange rates. The comprehensive frameworks and tracking categories are indicated in the attached Table 1.

(ii) Periodicity and timeliness

Periodicity refers to the frequency of compilation of the data. Timeliness refers to the speed of dissemination of the data--i.e., the lapse of time between a reference date (or close of a reference period) and dissemination of the data. Dissemination of statistics may take several forms, including: formal publications (including news releases); announcement of availability on request (but not necessarily without charge), including through electronic databases; diskettes, tapes, or CD-ROM of a formal publication or a database; and recorded telephone messages and facsimile services.

b. Specifications

The SDDS specifications for coverage, periodicity, and timeliness are summarized in the attached Table 1. Where the coverage components, periodicity, or timeliness is to be provided on an "as relevant" basis, subscribing members would have the flexibility to take an approach that is the most relevant to their respective circumstances. Where the coverage components, periodicity, or timeliness is designated as "encouraged," that feature would not be binding under the SDDS, but countries are encouraged to develop and disseminate such data categories in the indicated periodicity and timeliness.

The prescribed comprehensive statistical framework for the real sector is the national accounts, consisting of nominal levels, real (price-adjusted) levels, and associated prices (deflators or price indices). The data category intended to track GDP on a more frequent basis is a single production index or a selection of production indices. For price statistics, consumer price indices and producer or wholesale price indices are prescribed.

For the fiscal sector, the prescribed comprehensive statistical framework covers the general (central plus state or provincial and local) government or the public sector, depending on which coverage is the focus of policy and analysis in a particular country. As more frequent and timely tracking indicators of fiscal stance, central government indicators are prescribed. Data for government debt are prescribed in terms of central government debt.

For the financial sector, the prescribed comprehensive statistical framework is the analytical accounts of the banking system. Data should cover all units of the system that are included in principal national measures of money aggregates (such as M2 or M3). The data category prescribed to track banking system data on a more timely basis is the central bank analytical accounts. Interest rates should include rates on short- and long-term government securities as appropriate to the country.

For the external sector, balance of payments data are the prescribed comprehensive statistical framework. On a more frequent and timely basis, international reserves and merchandise trade are called for as tracking categories. Dissemination of monthly gross official reserve assets within one week is prescribed. In respect of the international investment position, the approach taken under the SDDS is to expect that countries would

work toward the provision of components consistent with the *IMF Balance of Payments Manual (5th Ed.)* and disseminate the framework--or components of it--as appropriate and feasible. Exchange rates should be disseminated on a daily basis, as should forward exchange rates (three- and six-month rates) on an "as relevant" basis if a robust forward market exists.

c. Flexibility

Under the SDDS, a member that does not produce or disseminate data categories/components designated "as relevant" would nevertheless be deemed to be in observance of the coverage specifications of the SDDS. In addition, a member may take either or both of two flexibility options in respect of periodicity and timeliness. First, for the national accounts and balance of payments, although the quarterly specification for periodicity must be met, the specified data may be issued on a less timely basis than prescribed in the event that the data category or categories indicated as tracking the principal measures in these comprehensive statistical frameworks are disseminated with the periodicity and timeliness prescribed for the tracking categories. Second, for any other two prescribed data categories, except international reserves, periodicity may be less frequent and/or the specified data may be issued on a less timely basis than prescribed.

2. Access by the public

Dissemination of official statistics is an essential feature of statistics as a public good. Ready and equal access is a principal requirement for the public, including market participants.

To support ready and equal access, the SDDS prescribes:

- (a) Advance dissemination of release calendars, with flexibility for the distribution of the release dates for up to two data categories; and
- (b) Simultaneous release to all interested parties

3. Integrity

To fulfill the purpose of providing the public with information, official statistics must have the confidence of their users. In turn, confidence in the statistics ultimately becomes a matter of confidence in the objectivity and professionalism of the agency producing the statistics. Transparency of its practices and procedures is a key factor in creating this confidence.

To assist users of the data disseminated under the SDDS in assessing their integrity, the SDDS prescribes:

- (a) the dissemination of the terms and conditions under which official statistics are produced, including those relating to the confidentiality of individually identifiable information;
- (b) the identification of internal government access to data before release;

(c) the identification of ministerial commentary on the occasion of statistical release; and

(d) the provision of information about revision and advance notice of major changes in methodology.

4. Quality

A set of standards that deals with coverage, periodicity, and timeliness of data must also address the quality of statistics. Although quality is difficult to judge, monitorable proxies, designed to focus on information the user needs to judge quality, can be useful.

To assist users of the data disseminated under the SDDS in assessing their quality, the SDDS prescribes:

(a) the dissemination of documentation on methodology and sources used in preparing statistics; and

(b) the dissemination of component detail, reconciliations with related data, and statistical frameworks that support statistical cross-checks and provide assurance of reasonableness.

III. Implementation of the SDDS

1. Subscription to the SDDS

Subscription to the SDDS by members of the Fund would be on a voluntary basis. Members may communicate their subscription to the SDDS by a notification to the Managing Director of the Fund.

After its subscription to the SDDS, a member would be expected to provide information describing its data dissemination practices (metadata) no later than three months (except for summary methodologies, which may be submitted no later than the end of the transition period), including the extent to which it wishes to avail itself of the flexibility provided in the SDDS for coverage, periodicity, and timeliness. Such metadata would be reviewed to ensure that they are comprehensive and presented in a reasonably internationally comparable way.

The period through December 31, 1998 will be the transition period. During this period, a member may subscribe to the SDDS even though it is not able to observe it fully. In these circumstances, a subscribing member would be expected to:

(a) delineate, at the same time that it provides its metadata, the elements on which its data dissemination practices fall short of the SDDS; and

(b) provide a plan of action that a member would represent would bring its practices to the level of the SDDS by the end of the transition period.

Members may also subscribe after the transition period, when the SDDS would be in full operation. Subscription will then require that members be able to observe the SDDS fully.

2. Dissemination Standard Bulletin Board

As a cornerstone of the implementation of the SDDS, the Fund will, as a service to its members, establish and maintain an electronic Dissemination Standard Bulletin Board (DSBB) on the Internet. The DSBB will identify the members subscribing to the SDDS and provide wide and easy access to the members' respective metadata. The responsibility for the accuracy of the metadata and of the economic and financial statistics underlying the metadata rests with member countries.

The DSBB would be opened to public access once the necessary preparations are completed and the metadata for at least 15 countries, including a number of nonindustrial countries, are ready for posting. Thereafter, metadata posted in the DSBB may be amended on the basis of information to be provided by subscribing members.

3. Observance of the SDDS and Removal from the DSBB

A member that subscribes to the SDDS will be expected to observe the elements of its four dimensions described above. Users that observe deviations from a member's commitments as a subscriber are encouraged to consult with the member directly in the first instance and then to communicate with the contact in the Fund that shall be established for this purpose. An assessment of a member's observance of its commitments as a subscriber is expected to be included in Article IV consultation reports.

To serve the purposes for which the SDDS is designed, it will be necessary to signal if a subscribing member is no longer fulfilling the expectation that it is observing the SDDS. This signal would be given by the removal of the member's metadata from the DSBB. During the transition period, a member could be removed from the DSBB for egregious nonobservance of the SDDS. The removal would be by a decision of the Executive Board, which could draw on advice of a panel of internationally recognized statistical experts.

The procedures for removal from the DSBB that will apply after the transition period will be elaborated during the transition period.

4. Review, Revisions, and Withdrawal

Reviews of the SDDS will be conducted by the Fund by the end of 1997 and again by the end of 1998. At the completion of these reviews, revisions of the SDDS may be adopted.

A member may withdraw its subscription to the SDDS at any time by sending a notification to the Managing Director of the Fund. The relevant metadata would be removed promptly from the DSBB.

Table 1. The Special Data Dissemination Standard: Coverage, Periodicity, and Timeliness

Coverage			Periodicity	Timeliness
Prescribed		Encouraged categories and/or components		
Category	Components			
Real sector				
National accounts: nominal, real, and associated prices *	GDP by major expenditure category and/or by productive sector	Saving, gross national income	Q	Q
Production index/indices #	Industrial, primary commodity, or sector, as relevant		M (or as relevant)	6W (M encouraged, or as relevant)
		Forward-looking indicator(s), e.g., qualitative business surveys, orders, composite leading indicators index	M or Q	M or Q
Labor market	Employment, unemployment, and wages/earnings, as relevant		Q	Q
Price indices	Consumer prices and producer or wholesale prices		M	M
Fiscal sector				
General government or public sector operations, as relevant *	Revenue, expenditure, balance, and domestic (bank and nonbank) and foreign financing	Interest payments	A	2Q
Central government operations #	Budgetary accounts: revenue, expenditure, balance, and domestic (bank and nonbank) and foreign financing	Interest payments	M	M
Central government debt	Domestic and foreign, as relevant, with a breakdown by currency (including indexed), as relevant, and a breakdown by maturity; debt guaranteed by central government, as relevant	Debt service projections: interest and amortization on medium and long-term debt (Q for next 4 quarters and then A) and amortization on short-term debt (Q)	Q	Q
Financial sector				
Analytical accounts of the banking sector *	Money aggregates, domestic credit by public and private sector, external position		M	M
Analytical accounts of the central bank #	Reserve money, domestic claims on public and private sector, external position		M (W encouraged)	2W (W encouraged)
Interest rates	Short-term and long-term government security rates, policy variable rate	Range of representative deposit and lending rates	D	1/
Stock market	Share price index, as relevant		D	1/

Table 1 (concluded). The Special Data Dissemination Standard:
Coverage, Periodicity, and Timeliness

Coverage			Periodicity	Timeliness
Prescribed		Encouraged categories and/or components		
Category	Components			
External sector				
Balance of payments *	Goods and services, net income flows, net current transfers, selected capital (or capital and financial) account items (including reserves)	Foreign direct investment and portfolio investment	Q	Q
International reserves #	Gross official reserves (gold, foreign exchange, SDRs, and Fund position) denominated in U.S. dollars	Reserve-related liabilities, as relevant	M (W encouraged)	W
Merchandise trade #	Exports and imports	Major commodity breakdowns with longer time lapse	M	8W (4-6W encouraged)
International investment position	See text of Annex		A (Q encouraged)	2Q (Q encouraged)
Exchange rates	Spot rates and 3- and 6-month forward market rates, as relevant		D	1/
Addendum: Population		Key distributions, e.g., by age and sex	A	...

Periodicity and timeliness: Daily ("D"); weekly or with lapse of no more than one week ("W") after the reference data or close of the reference week; monthly or with lapse of no more than one month ("M"); quarterly or with lapse of no more than one quarter ("Q"); annual ("A").

* Comprehensive statistical frameworks

Tracking categories

1/ Given that data are widely available from private sources, dissemination of official producers may be less time-sensitive. Although dissemination by recorded telephone messages or fax services is encouraged, dissemination of these data can be made part of other (preferably high-frequency) dissemination products.

INTERNATIONAL MONETARY FUND

The Special Data Dissemination Standard

I. The Standard: Objectives and Monitorable Elements

The standard's purpose is to guide member countries in the provision to the public of comprehensive, timely, accessible, and reliable economic and financial statistics in a world of increasing economic and financial integration. It thus comprises four dimensions:

- The data: coverage, periodicity, and timeliness
- Access by the public
- Integrity of the disseminated data
- Quality of the disseminated data

For each of the four dimensions, the standard prescribes two to four good practices that can be observed, or monitored, by users of statistics. Box 1 provides an overview of the four dimensions and these monitorable elements.

1. The data: coverage, periodicity, and timeliness

Comprehensive economic and financial data, disseminated on a timely basis, are essential to the transparency of macroeconomic performance and policy.

a. Definitions and general considerations

(1) Coverage

The standard focuses on the basic data that are most important in shedding light on performance and policy in four sectors across the economy--real, fiscal, financial, and external. The standard focuses on the minimum coverage necessary, but countries are encouraged to disseminate other data that may increase the transparency of economic performance and policy in general and for their own economic and financial situations in particular.

For each of the four sectors, the standard provides (i) a comprehensive statistical framework--national accounts for the real sector, government operations for fiscal data, analytical accounts of the banking system for financial data, and balance of payments accounts for external transactions; (ii) data that permit tracking of the principal measures in the comprehensive frameworks; and (iii) other data relevant to the sector. The comprehensive frameworks and tracking categories are noted in Table 1. The so-called other data are often in the form of a price, including interest rates and exchange rates.

The standard does not specify in detail the component breakdowns of the comprehensive statistical frameworks to be used in dissemination. In the case of national accounts and balance of payments statistics, because revised international guidelines--the 1993 *System of National Accounts* and the fifth edition of the *Balance of Payments Manual*--were recently introduced, members are at various stages in transition to them. For fiscal and financial data, respectively, preparation of guidelines are underway and under consideration, and component detail to be specified in them should be reflected in the standard at some point in the future. For the time being, the standard either indicates the type of breakdown (e.g., major expenditure category for quarterly GDP) and/or highlights several components to be disseminated (e.g., money aggregates, domestic credit by public and private sector, and the international position for the analytical accounts of the banking system).

Most of the data categories identified for inclusion in the standard are produced by official national agencies. The inclusion in the standard of some data categories that are produced by private organizations (at least in some countries) introduces some complexities, including the inability to control release dates and the implicit stamp of quality that is given by official re-publishing. The inclusion of privately compiled data is warranted in the interest of obtaining a more complete picture of the economy and more consistent coverage across countries. However, including them requires some adaptation in the responsibilities that the official (disseminating) agency has with respect to some elements of access by the public, integrity, and data quality.

(2) Periodicity and timeliness

Periodicity refers to the frequency of compilation of the data. The periodicity of a particular data category is determined by several factors, including the ease of observation or compilation and the needs of analysis.

Timeliness refers to the speed of dissemination of the data--i.e., the lapse of time between a reference date (or close of a reference period) and dissemination of the data. It reflects many factors, including some related to institutional arrangements, such as the preparation of accompanying commentary and printing. Dissemination of statistics takes several forms, among them--

- providing a formal publication, such as new releases (perhaps presenting only summary statistics), periodicals such as monthly bulletins, or one-time volumes;
- announcing the availability of statistics on request (but not necessarily without charge), increasingly pointing to electronic databases;

Box 1. Summary of the Special Data Dissemination Standard

1. The data: coverage, periodicity, and timeliness: Comprehensive economic and financial data, disseminated on a timely basis, are essential to the transparency of macroeconomic performance and policy.

Dissemination of economic and financial data categories as prescribed in Table 1 (as relevant for the country), with the components, the periodicity, and the timeliness indicated.
2. Access by the public: Dissemination of official statistics is an essential feature of statistics as a public good. Ready and equal access are principal requirements for the public, including market participants.
 - a. Advance dissemination of release calendars
 - b. Simultaneous release to all interested parties
3. Integrity: To fulfill the purpose of providing the public with information, official statistics must have the confidence of their users. In turn, confidence in the statistics ultimately becomes a matter of confidence in the objectivity and professionalism of the agency producing the statistics. Transparency of its practices and procedures is a key factor in creating this confidence.
 - a. Dissemination of the terms and conditions under which official statistics are produced, including those relating to the confidentiality of individually identifiable information.
 - b. Identification of internal government access to data before release.
 - c. Identification of ministerial commentary on the occasion of statistical releases.
 - d. Provision of information about revision and advance notice of major changes in methodology.
4. Quality: A set of standards that deals with the coverage, periodicity, and timeliness of data must also address the quality of statistics. Although quality is difficult to judge, monitorable proxies, designed to focus on information the user needs to judge quality, can be useful.
 - a. Dissemination of documentation on methodology and sources used in preparing statistics.
 - b. Dissemination of component detail, reconciliations with related data, and statistical frameworks that support statistical cross-checks and provide assurance of reasonableness.

- providing a diskette, tape, or CD-ROM version of a formal publication or a database;
- providing brief recorded telephone messages and fax services, especially in the case of data categories justifying high-frequency distribution.

The timeliness specifications are set out in terms of "no longer than" prescribed lapses of time to recognize that official producers may, for reasons of efficiency, wish to release several sets of data in one periodic dissemination product (such as a monthly bulletin). The standard should be viewed as encouraging shorter time periods.

b. The specifications

The standard's specifications for the data themselves--their coverage, periodicity, and timeliness--are summarized in Table 1 and amplified below.

The comprehensive statistical framework for the real sector is the national accounts, consisting of nominal levels, real (price-adjusted) levels, and associated prices (deflators or price indices). The data components specified within this category provide for GDP by major expenditure category and/or productive sector. Although the former breakdown is preferred by most users, provision of both breakdowns is encouraged. While not prescribed, saving and gross national income (formerly GNP) are data components that countries are encouraged to provide. Classification according to the *System of National Accounts* is strongly encouraged.

The data category intended to track GDP on a more frequent basis is a single production index or a selection of production indices. The index that is relevant will depend on a country's economic structure--industrial production in some countries, commodity production (e.g., petroleum or rice) in other countries, and/or agriculture in still others. To provide a guide to developments in quarterly GDP, a monthly measure is specified. The "or as relevant" notation for periodicity and timeliness is a recognition that in some countries, such as those where seasonal crop production is important, production may not be well represented by a monthly index.

Of the several kinds of forward-looking indicators, those listed in Table 1 are illustrative of surveys of expectations, surveys of presaging events (others being contracts and construction permits), and indices that combine several indicators into a single index. Countries are encouraged to develop and disseminate such indicators in response to substantial user interest in them.

For price statistics, consumer price indices and producer or wholesale price indices are prescribed. They are widely used in their own right; in addition, their underlying detail is needed for price-adjusted national accounts.

Labor market data are critically important statistics in industrial countries but may be less meaningful in others, such as those with large informal or subsistence sectors. The "as relevant" notation recognizes that the coverage of the specified employment, unemployment, and wages/earnings components may, of necessity, be less than the total economy and that such concepts may not be meaningful.

For the fiscal sector, the comprehensive statistical framework covers the general (central plus state or provincial and local) government or the public sector, depending on which coverage is the focus of policy and analysis in a particular country. Fiscal data compiled according to the classifications of *A Manual on Government Finance Statistics* are encouraged. In recognition of the great difficulty in compiling these data in most countries, they are shown in Table 1 as produced on an annual frequency with a lag of two quarters. Dissemination of data on interest payments is shown as "encouraged."

As a more frequent and timely indicator of fiscal stance, central government indicators are prescribed. They should cover as wide a range of central government units (budgetary accounts, social security, extrabudgetary units and account) as is feasible, and units excluded from the monthly data should be noted in the methodological description on the EBB.

Data for government debt are prescribed in terms of central government. Debt data should be classified as domestic and foreign, on an "as relevant" basis. Breakdowns should be provided by maturity (short- versus medium- and long-term, preferably by remaining maturity but on an original maturity basis if the former is not available) and by currency (identifying indexed debt). The currency breakdown is on an "as relevant" basis. Dissemination of government debt service (interest and amortization) projections is shown as "encouraged." For certain emerging market countries, dissemination of interest and amortization schedules would be especially important.

For the financial sector, the comprehensive statistical framework is the analytical accounts of the banking system. Data should cover all units of the system that are included in principal national measures of money aggregates (such as M2 or M3). Countries with complex banking systems, particularly with extensive branch banking, may find that dissemination of monthly data within a month is difficult to achieve. In these cases, major indicators (money aggregates and total credit) should be disseminated within one month and comprehensive data disseminated at the earliest date feasible.

With regard to data for the central bank, the components specified are reserve money, claims on the public and private sector, and the external position. Monthly dissemination within two weeks is prescribed, but weekly dissemination within a week is "encouraged," so that this category can provide an indication of financial data more quickly than the banking system data.

Table 1. The Special Data Dissemination Standard: Coverage, Periodicity, and Timeliness

Coverage			Periodicity	Timeliness
Prescribed		Encouraged categories and/or components		
Category	Components			
Real sector				
National accounts: nominal, real, and associated prices *	GDP by major expenditure category and/or by productive sector	Saving, gross national income	Q	Q
Production index/indices #	Industrial, primary commodity, or sector, as relevant		M (or as relevant)	6W (M encouraged, or as relevant)
		Forward-looking indicator(s), e.g., qualitative business surveys, orders, composite leading indicators index	M or Q	M or Q
Labor market	Employment, unemployment, and wages/earnings, as relevant		Q	Q
Price indices	Consumer prices and producer or wholesale prices		M	M
Fiscal sector				
General government or public sector operations, as relevant *	Revenue, expenditure, balance, and domestic (bank and nonbank) and foreign financing	Interest payments	A	2Q
Central government operations #	Budgetary accounts: revenue, expenditure, balance, and domestic (bank and nonbank) and foreign financing	Interest payments	M	M
Central government debt	Domestic and foreign, as relevant, with a breakdown by currency (including indexed), as relevant, and a breakdown by maturity; debt guaranteed by central government, as relevant	Debt service projections: interest and amortization on medium and long-term debt (Q for next 4 quarters and then A) and amortization on short-term debt (Q)	Q	Q

Table 1 (concluded). The Special Data Dissemination Standard:
Coverage, Periodicity, and Timeliness

Coverage			Periodicity	Timeliness
Prescribed		Encouraged categories and/or components		
Category	Components			
Financial sector				
Analytical accounts of the banking sector *	Money aggregates, domestic credit by public and private sector, external position		M	M
Analytical accounts of the central bank #	Reserve money, domestic claims on public and private sector, external position		M (W encouraged)	2W (W encouraged)
Interest rates	Short-term and long-term government security rates, policy variable rate	Range of representative deposit and lending rates	D	1/
Stock market	Share price index, as relevant		D	1/
External sector				
Balance of payments *	Goods and services, net income flows, net current transfers, selected capital (or capital and financial) account items (including reserves)	Foreign direct investment and portfolio investment	Q	Q
International reserves #	Gross official reserves (gold, foreign exchange, SDRs, and Fund position) denominated in U.S. dollars	Reserve-related liabilities, as relevant	M (W encouraged)	W
Merchandise trade #	Exports and imports	Major commodity breakdowns with longer time lapse	M	8W (4-6W encouraged)
International investment position	See accompanying text		A (Q encouraged)	2Q (Q encouraged)
Exchange rates	Spot rates and 3- and 6-month forward market rates, as relevant		D	1/
Addendum: Population		Key distributions, e.g., by age and sex	A	...

Periodicity and timeliness: Daily ("D"); weekly or with lapse of no more than one week ("W") after the reference data or close of the reference week; monthly or with lapse of no more than one month ("M"); quarterly or with lapse of no more than one quarter ("Q"); annual ("A").

* Comprehensive statistical frameworks

Tracking categories

1/ Given that data are widely available from private sources, dissemination of official producers may be less time-sensitive. Although dissemination by recorded telephone messages or fax services is encouraged, dissemination of these data can be made part of other (preferably high-frequency) dissemination products.

Interest rates should include short- and long-term government securities rates as appropriate to the country (e.g., three-month Treasury bill rate and ten-year government bond rate) and a policy variable rate, such as the central bank lending rate. Dissemination of deposit and lending rates is "encouraged." Daily data observations are called for; because the data are available in the news media and from commercial data vendors, official dissemination is less time-sensitive than otherwise would be the case and timeliness is not specified to allow the disseminating agency flexibility to incorporate the index into another (preferably high-frequency) product.

In countries where a stock market exists, because a share price index is often closely and widely followed, countries should disseminate such an index.

For the external sector, balance of payments data, as the comprehensive statistical framework, should include, for the current account, imports and exports of goods and services, net income receipts, and net current transfers. Capital (or capital and financial) account components should include at least reserves data and other available components of financing. Classification according to the *Balance of Payments Manual* (fourth or fifth edition according to current national practice) is strongly encouraged.

On a more frequent and timely basis, international reserves should be provided in U.S. dollars; monthly gross official reserve assets within one week are prescribed. Reserve-related liabilities, which would make possible a net official reserves measure, are "encouraged" on an "as relevant" basis. Merchandise trade, also on a more frequent and timely basis, should be provided first with at least total imports and exports. Detail by major commodity within a slightly longer lapse of time for compilation is "encouraged."

The international investment position is increasingly recognized as a useful framework in which to develop an integrated picture of a country's stock of external financial assets and liabilities. However, only a few countries now prepare an international investment position, and international guidelines were introduced only recently (in the fifth edition of the *Balance of Payments Manual*). Accordingly, the approach taken is for the standard to expect that countries work toward component detail according to the *Balance of Payments Manual*--direct investment; portfolio investment, including equity and debt; other investment; and (for assets), reserves--and disseminate the framework or components of it as appropriate and feasible. Breakdowns of the debt securities and loans, within portfolio and other investment, respectively, by currency of issue and by original maturity (short-term versus medium- and long-term using classifications by instrument) would be highly desirable for a view of external debt.

Exchange rates should be disseminated on a daily basis, as should forward exchange rates (three- and six-month rates) on an "as relevant" basis if a robust forward market exists.

Population is shown as an addendum. It is prescribed because of its usefulness as a scaling factor, e.g., in GDP per capita. Distributions that shed light on the functioning of the economy, such by age and sex, are encouraged.

c. Flexibility

Referencing reasons such as those just outlined, a member may indicate that any of the data categories/components designated "as relevant" are not produced and disseminated, but it will still be deemed to be in observance of the coverage specifications. In addition, a member may take the flexibility options outlined below for periodicity and timeliness:

- (1) For the national accounts and balance of payments, although the quarterly specification for periodicity must be met, timeliness may be "less" than prescribed if the data category(ies) indicated as tracking the principal measures in these comprehensive statistical frameworks are disseminated with the periodicity and timeliness prescribed for the tracking categories.
- (2) For any other two prescribed data categories, except international reserves, periodicity and/or timeliness may be "less" than prescribed.

A summary of the member's observance of the specifications for coverage, periodicity, and timeliness, noting the flexibility it has chosen to take, will appear on the Dissemination Standard Bulletin Board (see Section II).

2. Access by the public

Dissemination of official statistics is an essential feature of statistics as a public good. Ready and equal access are principal requirements for the public, including market participants.

a. Advance dissemination of release calendars

Advance release calendars highlight sound management and transparency of statistical compilation and provide data users with information needed to take a more active, organized approach to acquiring the raw materials for their work. The standard, in seeking a balance, prescribes dissemination of a release calendar identifying, at least one quarter in advance, either the day of release or the day no later than which release will take place for the data categories prescribed by the standard. This initial calendar may identify a period of up to five working days during which the release will

take place. (Independently, the timeliness specifications for the data categories set the outer limit for the date of release in observance of the standard.) If this quarter-ahead calendar is in terms of a no-later-than date or a range of dates, the member is to identify, by the close of business the prior week, the date of release during the following week. For a maximum of two data categories, the member may indicate on its release calendar (which will appear on the Dissemination Standard Bulletin Board; see Section II) the reasons why such a week-ahead identification of a specific release date is not possible or is not viewed as desirable. At least 24 hours advance notice is strongly encouraged for releases for which the member avails itself of this option.

Members are encouraged, as well, to specify the exact time of release in the calendars. Members are also encouraged to publish release calendars for data categories not prescribed by the standard. 1/

b. Simultaneous release to all interested parties

The standard prescribes that data be released to all interested parties at the same time in recognition that data are valuable commodities and in the interest of equity. Release is not intended to refer to access by government agencies, including those other than the producing agency; pre-release access is governed by conditions set out in the description of integrity (see subsection 3.b below). For media and commercial data vendors, simultaneous release may be interpreted as including access, under embargo conditions, to all on equal terms. The act of release may consist of providing summary data accompanied by provision of detail in other formats (e.g., diskettes and access to electronic databases). Members are encouraged to make the release in as many formats, especially electronic formats, as possible consistent with the extent of public interest in the data..

3. Integrity

To fulfill the purpose of providing the public with information, official statistics must have the confidence of their users. In turn, confidence in the statistics ultimately becomes a matter of confidence in the objectivity and professionalism of the agency producing the statistics. Transparency of its practices and procedures is a key factor in creating this confidence.

1/ In general, members are encouraged to apply the practices prescribed in the standard to data categories not covered by the standard when public interest warrants.

- a. Dissemination of the terms and conditions under which official statistics are produced, including those relating to the confidentiality of individually identifiable information

The prescribed practice, which was embodied in the "Fundamental Principles of Official Statistics" adopted in 1994 by the United Nations Statistical Commission is indirect, but nevertheless fundamental to fostering confidence in the objectivity and professionalism of official statistics. The terms and conditions under which statistical agencies operate may take various forms, including statistics law(s), charters, and codes of conduct, and they may refer to matters such as the relationship of the statistical unit to a larger department or ministry of which it is part (if relevant), the requirement to publish data it has collected, the terms of reference for the chief statistician/director, and procedures and processes related to the confidentiality of individual responses. Dissemination of this information may take a variety of forms, including annual reports of the producer of statistics, abstracts in key publications, and statements of relevant passages referring to confidentiality on survey forms. Producers may find it convenient to use logos and other insignia to remind users of the terms under which statistics carrying the logo are produced.

- b. Identification of internal government access to data before release

In the interest of transparency about possible undue influence on the data before release, this practice prescribes listing the persons/positions within the government, but outside the agency producing the data, who have pre-release access and the schedule according to which they receive access. Such identification--that is, statements of "who knows what and when"--may take a variety of forms, including brief notices to the public and annual reports of the producer of statistics.

- c. Identification of ministerial commentary on the occasion of statistical releases

Ministerial commentary is not necessarily expected to maintain the same degree of objectivity or freedom from political judgment as would be expected of good practice for a producer of official statistics. Therefore, the practice under the standards is to identify such commentary so that its source will be transparent to the public. The identification of ministerial commentary on the occasion of statistical release may take several forms--including separate statements by the minister (or other policy or political official) or, alternatively, identification of a statistical agency's material in a release that contains both ministerial commentary and data. The agency's material may include data, explanatory text (e.g., of an unusual event affecting the data), and objective analysis; the identification as agency material may be made in various ways, including the use of source lines in tables and of the producer's logos or other insignia.

d. Provision of information about revision and advance notice of major changes in methodology

In the interest of transparency about the data producers' practices, this practice prescribes provision of information about revisions in the data. Relevant information about revision may include statements about the policy followed (e.g., a policy of revising monthly data when an annual, more comprehensive survey becomes available or a policy of no revision) and data about the size of past revisions. Advance notice of changes in methodology (e.g., changes in base year, major expansions of sample size, introduction of alternative data sources, reclassification of transactions or industries) may take a variety of forms, ranging from short statements in press releases to presentations and papers in public fora. Members are encouraged, as well, to provide easy access to information explaining revisions after they are released (e.g., by access to a person able to answer questions about revisions).

4. Quality

A set of standards that deals with the coverage, periodicity, and timeliness of data must also address the quality of statistics. Although quality is difficult to judge, monitorable proxies, designed to focus on information the user needs to judge quality, can be useful.

a. Dissemination of documentation on methodology and sources used in preparing statistics

The availability of documentation on methodology and sources underlying statistics is key to users' awareness of the strengths and weaknesses of the data. The prescribed documentation may take several forms, including summary notes accompanying release of the data, separate publications, and papers available on request from the producers. Members are encouraged to include and highlight statements and declarations about important features of quality (e.g., the kind of error to which the data are subject, sources of noncomparability over time, measures of coverage for census data or sample error for survey data). ^{1/} By the end of the transition period, subscribing members would provide summary documentation of methodology on the EBB, including statements of major differences from international guidelines.

^{1/} The size of past revisions, which is often in the list of aspects of quality, is included in an element on integrity, drawing on its role as an indicator of the transparency of conditions under which data are produced.

- b. Dissemination of component detail, reconciliations with related data, and statistical frameworks that support statistical cross-checks and provide assurance of reasonableness

To support and encourage users' checks and verification of data, this element provides for dissemination of components underlying aggregate series, dissemination within a statistical framework, and/or dissemination of comparisons and reconciliations with related data. Component detail is, of course, to be at a level that does not conflict with other desirable characteristics such as the confidentiality of individually identifiable information or statistical reliability. (Component detail, although used in this context to facilitate cross-checks, is also useful in its own right for in-depth analysis and research.)

Statistical frameworks include accounting identities and statistical relationships (such as balance sheets). Comparisons and reconciliations include those that cut across frameworks, such as exports and imports as part of the national accounts and as part of the balance of payments.

II. Implementation

1. Subscription to the standard

Members are invited to subscribe to the special data dissemination standard on a voluntary basis. In support of this formal invitation, the Fund staff will communicate with country authorities to provide information about procedures and information requirements for subscription and will be prepared, informally and upon request, to assist them in evaluating the extent of the adjustments to their current practices that would be needed to observe the standard. Members may subscribe by sending an appropriate communication to the Fund.

As a cornerstone of the implementation of the special data dissemination standard, the Fund will maintain the Dissemination Standard Bulletin Board (DSBB) on the Internet at a World Wide Web site. Members subscribing to the standard will provide information about the data disseminated under the standard for the DSBB. The DSBB will identify publicly the member countries that subscribe to the standard and provide wide and easy access to the information describing their data and their dissemination practices--the metadata--that will be useful in its own right and that will facilitate monitoring of the observance of the standard by financial market participants and others. A prototype metadata page is shown as Appendix I. The DSBB is being established and will be maintained by the Fund as a service to its members. The responsibility for the accuracy of the metadata and of the economic and financial statistics underlying the metadata rests with the member countries.

The opening of subscription will set in train a sequence of events. Country metadata, to be provided no later than three months after subscription (except for the summary methodologies, which are to be provided by the end of the transition period described below), will be reviewed by the staff to ensure that it is comprehensive and presented in a reasonably internationally comparable fashion. The metadata will be placed on the DSBB and the DSBB opened to the public by August 31, 1996. Thereafter, the metadata will be amended by the Fund staff on the basis of information to be provided by the country.

The period through December 31, 1998 will be a transition period. During this period, countries may subscribe to the standard even though they are not able to observe it fully. In these circumstances, countries will be expected to delineate the elements on which they fall short and to provide a reasonable plan, which will be accessible on the DSBB, to attain the level of the standard by the end of the transition period. The transition will also provide an interval during which members can seek technical assistance to improve practices. During this period the Fund will also elaborate more fully certain operational aspects.

Members may also subscribe after the transition period, when the standard is in full operation. Subscription will then require that members be able to observe the standard fully.

Members may withdraw their subscription at any time during the transition period or after. They may do so by writing the Fund, and the Fund will, as soon as possible but not later than 30 days later, remove the member's metadata from the DSBB.

Reviews of the standard's content and implementing procedures will be conducted by the Fund at appropriate intervals. The views of both producers and users of data, including financial market participants, will be sought.

2. Observance of the standard

Countries that subscribe to the standard will be expected to observe the elements of its four dimensions, availing themselves to the extent that they wish of the flexibility provided in the standard for coverage, periodicity, and timeliness. Data users are interested in knowing not only which countries subscribe to the standard but also (and more importantly) whether they actually observe the standard. The Fund, too, has a direct interest in promoting observance of the standard in order for subscription to the standard to give accurate signals to data users and to preserve the standard's credibility.

Data users may be the first to notice if certain data do not meet the timeliness and frequency indicated in the country metadata on the DSBB and may be well positioned to detect shortfalls with respect to the access, integrity, or quality elements of the standard. While issues related to

possible slippage will be taken up directly by users with the data producers, the Fund will also need to know of problems and an appropriate point of contact for users will be established. Fund staff will also consult periodically with interested users. The staff assessment of observance of the dissemination standards is expected to be included in the Article IV consultation report, in addition to the assessment of country data provided to the Fund for surveillance.

To serve the purposes for which the standard is designed, it will be necessary to signal if a subscribing member is no longer fulfilling the expectation that it is observing the standard. This signal will be given by the removal of the country's metadata from the DSBB.

In the course of the transition period, there will be no removal of subscribers from the DSBB except in cases of egregious nonobservance. For example, this procedure could be invoked if a subscribing country stops publishing international reserves data or is generally releasing them with a long lag (such as a month) that represents backsliding from its practice at the time it subscribed. The removal will be by decision of the Executive Board, which could draw on advice of a panel of internationally recognized statistical experts.

Following the transition period, when concerns arise that a member may not be acting in a manner consistent with its commitments under the standard, the first steps will be taken within the Fund, between the member and the Fund in consultation with the Executive Director concerned. If bilateral discussions do not resolve the issue, the Fund's Executive Board will be informed that concerns of severe and persistent nonobservance had arisen and that formal procedures for a review of observance are to be triggered. These procedures, including the modalities for assessing observance of performance, will be elaborated fully during the transition period in a dialogue with interested members. At this point, however, the main features of the likely procedures are as follows:

- The Fund staff, after having informed the Board, will post a note on the DSBB indicating that a review is being undertaken. Such a note could also be posted at a member's request.
- A clock will start running when the note is posted so that all parties concerned, including the member and the users, will be assured of timely resolution by a fixed date.
- From an already identified panel of internationally recognized statistical experts, several will be selected to review the situation and report whether or not the member is acting in a manner not consistent with its commitments under the standard.
- A member may present relevant material to the experts and to the Fund.

- The experts' report will be presented to the Executive Board, specifying the points that will provide the basis for a Board decision on whether to remove the member from the DSBB.

Prototype Metadata Page

Last EBB update: 12/15/95

Country X x x x x

Data category Y y y y y y

Contact person Ms. Helpful Statistician
 National Statistical Office
 Phone: (00) 000 0000
 Fax: (00) 000 0001
 Internet: hstat@nso.xxx

Dissemination formats

Hardcopy

- News release
- Weekly ○ monthly ○ quarterly bulletin
- Other

Electronic

- On-line country bulletin board or database
- Diskette ○ CD ROM ● Other

Coverage characteristics	Index, 1990 = 100; seasonally adjusted <u>Summary methodology (including international comparability statement)</u>
Periodicity	Monthly
Timeliness	Within 3 weeks after the reference month.
<u>Advance release calendar</u>	Announcements are made in the last week of a quarter for the whole of the next quarter.
Simultaneous release	Publishing Manual: Subject to a pre-release embargo; no statistics from a collection may be released prior to the lifting of the embargo.
Dissemination of terms and conditions ... official statistics are produced	The statistical law is reproduced in the agency's annual report. All data prepared under this law are identifiable by the agency logo on the publication.
Identification of internal government access ...	The release of this data category is subject to an embargo except that the release is made available, under strict conditions, to certain Government Offices no more than three hours before embargo time. The full list of officials is available in the agency's annual report.
Identification of ministerial commentary ...	By the statistical law, any data product prepared under that law must be so identified, and only that material may be so identified.
Provision of information about revision and ...	The release notes that "The estimates [for the month] are preliminary and subject to revision."
Dissemination of documentation on methodology and sources used in preparing statistics	"Explanatory Notes" in each release. Fuller documentation in "Data Category X: Concepts, Sources and Methods." (catalogue 5331.0).
Dissemination of data to support statistical cross-checks and verification of reasonableness	In an [....] accounting framework, the monthly report presents credits and debits for four subcategories, with detail for each (and with more detail in the quarterly report).

Note: Underlining indicates items to which additional information may be hyperlinked.