



Office Memorandum

MASTER FILES
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To: Members of the Executive Board April 5, 1996

From: The Secretary

Subject: **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 -
Summing Up**

Attached is the Acting Chairman's summing up for the above item discussed at EBM/96/30, March 29, 1996. This summing up is also Appendix II referred to in SM/96/83 (4/4/96); the latter is tentatively scheduled for Board discussion on Friday, April 12, 1996.

Att: (1)

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.