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**Summing Up by the Acting Chairman
Standards for the Dissemination of
Economic and Financial Statistics to the Public
by Member Countries and Implementation of the SDDS
Executive Board Meeting 96/36 - April 12, 1996**

Executive Directors noted that the Interim Committee, in its communiqué 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 requested that Fund members have the opportunity to subscribe to the SDDS by the time of the April 1996 Interim Committee meeting and were gratified that this objective would be achieved. Directors also appreciated the speedy staff work that had gone into the data dissemination initiative and 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 recalled their earlier approval, at the meeting of March 29, 1996, of the SDDS and of its immediate opening for subscription on a voluntary basis. They recognized that the establishment of the SDDS was an important 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.

Directors discussed the elaborations proposed by the staff regarding the timeliness of foreign trade data, the periodicity of foreign reserves data, some flexibility for release calendars, and procedures in case of possible non-observance of the SDDS. In light of the above considerations, the Executive Board approved those elaborations to the SDDS, whose scope and operational characteristics are set forth in the Annex to this summing up.

Executive Directors took note that a significant number of member countries had provided indications of their intention to subscribe to the SDDS and agreed that the electronic Data Standards Bulletin Board (DSBB) should be open to the public by the end of August 1996. Directors also welcomed the preparation by the staff of an operations manual that would soon become available.

Directors observed that the SDDS was ambitious. At the same time, they 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 through the transition period that would end at the close of 1998.

Directors agreed that invitations for subscription should be sent by the Managing Director as soon as possible. The package of materials would comprise a communication from the Managing Director, and, to be sent separately, this summing up with its Annex, and a paper entitled the Special Data Dissemination Standard (SM/96/83, Sup. 2, 4/15/96, to be circulated).

Directors called for work to continue on the elaboration of the general data dissemination standard for Board consideration before the end of 1996. They also called for a review of the operation of the special and general data dissemination standards by the end of 1997, and another review before the completion of the transition period at the end of 1998.

Scope and Operational Characteristics of the 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 only 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.