



DATA DISSEMINATION STANDARDS

During 1995 and early 1996, the Board met on a number of occasions to discuss a Fund initiative to encourage the comprehensive and timely flow of statistics from countries to the public, including the financial markets. Such data are critical to the analysis and implementation of macroeconomic policy, and their dissemination was seen as diminishing the risk of abrupt and disruptive market reactions. The initiative was in response to a request by the Interim Committee

in April 1995 to establish standards to guide members in the provision of economic and financial data to the public (*Annual Report, 1995*, page 210). The standards that the Board has endorsed are to have two tiers: a *general standard* and a *special standard* (see Box 5 and Table 3). Starting in April 1996, countries were able to subscribe to the special standard, which was approved by the Board also in April 1996. The initial proposal for the special standard had been released

Box 5

FUND DATA STANDARDS AT A GLANCE

The data dissemination standards considered by the Board are designed to provide the public with comprehensive, timely, accessible, and reliable economic and financial statistics in a world of increasing economic and financial integration. They consist of two tiers: a *general data dissemination standard*, which provides guidance to all member countries for publishing data; and a *Special Data Dissemination Standard* (SDDS), which provides guidance to countries participating in international financial markets or aspiring to do so.

The two tiers have the same four dimensions, with the special standard setting more demanding norms for the first dimension. The following gives an overview of the four dimensions of the SDDS, which is now open for countries to subscribe to:

(1) *Coverage, periodicity, and timeliness*. The SDDS focuses on basic data that are most important in shedding light on economic performance and policy in four sectors across the economy. The data categories and

components that are prescribed or encouraged are shown in Table 3.

The SDDS prescribes the minimum coverage necessary, but countries are encouraged to disseminate other relevant data. Periodicity refers to the frequency of compilation, and timeliness refers to the speed of dissemination (that is, the lapse of time between a reference date and dissemination of the data).

(2) *Access by the public*. Ready and equal access to basic data is a principal requirement for the public, including market participants. To support such access, the SDDS prescribes (a) advance dissemination of release calendars 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 in assessing integrity, the SDDS prescribes (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 release; and (d) provision of information about revision and advance notice of major changes in methodology.

(4) *Quality*. 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 in assessing quality, the SDDS prescribes (a) dissemination of documentation on methodology and sources used in preparing statistics; and (b) dissemination of component detail, reconciliations with related data, and statistical frameworks that support statistical cross-checks and provide assurance of reasonableness.

Table 3
THE SPECIAL DATA DISSEMINATION STANDARD: COVERAGE, PERIODICITY, AND TIMELINESS

Coverage				
Category	Prescribed Components	Encouraged categories and/or components	Periodicity	Timeliness
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	Forward-looking indicator(s) (e.g., qualitative business surveys, orders, composite leading indicators index)	M (or as relevant) M or Q	6W (M encouraged, or as relevant) 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 four 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 D	1 1
Stock market	Share price index, as relevant			
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 the SDDS		A (Q encouraged)	2Q (Q encouraged)
Exchange rates	Spot rates and three- and six-month forward market rates, as relevant		D	1
Addendum: Population		Key distributions (e.g., by age and sex)	A	...

Note: For periodicity and timeliness: daily ("D"); weekly or with lapse of no more than one week ("W") after the reference date 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.

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

to the public as a “Green Paper” for discussion in February 1996—the first time the Fund had issued a draft policy document for public comment. Preparation of the general standard continued at the end of the financial year.

Establishment of the Special Standard

In their April 1996 discussion on data dissemination, Directors considered that the establishment of the Special Data Dissemination Standard (SDDS) was an important step for the Fund and its membership. The Interim Committee had requested that Fund members have the opportunity to subscribe to the SDDS on a voluntary basis by the time of the April 1996 Interim Committee meeting, and by mid-April a significant number of member countries had indicated their intention to subscribe to the SDDS. Directors expressed their appreciation for the widespread consultation with users of statistics, national authorities, and other international organizations. Noting the ambitious nature of the SDDS, they emphasized that, initially, its implementation would inevitably need to be both flexible and evolutionary. A transition period, which finishes at the close of 1998, will allow subscribing countries time to bring their statistical policies fully into line with the SDDS. Directors also noted that reviews of the operation of, and experience with, the SDDS would permit adjustments in the light of experience during the transition period.

Regarding subscription, Directors, in an earlier discussion, supported the proposal that a country wishing to subscribe, but not able to observe all elements from the beginning of the transition period, should describe those practices that fell short of the standard and provide a plan and timetable for making the necessary adjustments. They recognized that consideration of a member’s subscription would most likely require a dialogue between the staff and the member. Directors agreed that the staff should review the “metadata” (information about subscribing countries’ data, such as measurement characteristics and calendars for release of data) provided by countries to ensure that they were comprehensive and reasonably comparable internationally, and that the staff should discuss with the member any improvements that might be needed.

For the four dimensions of the SDDS (see Box 5 and Table 3), Directors broadly supported the list of “prescribed” and “encouraged” data categories, together with the specified periodicity and timeliness. Overall, most Directors judged that the specifications for coverage, periodicity, and timeliness struck an appropriate balance between the desirable and the feasible. With regard to access by the public, Directors underscored that the dissemination of official statistics is an essential feature of statistics as a public good, and that ready and equal access to information is a principal

requirement for the public. In this regard, they supported the proposed approach that called for advance dissemination of release calendars and simultaneous release of data to all interested parties. Directors agreed that it was important to disseminate the terms and conditions under which data are produced, provide information about the policy for revisions, and identify the individuals within the government (but outside the agency producing the data) who have access to the data prior to their release.

Directors also agreed that a set of standards must in some way address the quality of statistics, but they stressed the inherent difficulties of doing so. Directors emphasized that the Fund should avoid direct public assessment or certification of data quality and supported the approach of dealing with data quality through monitorable proxies. However, it was recognized that, should information come to the Fund indicating that published data were not consistent with a subscribing member’s commitments under the standard, the Fund would need to address this issue with the member.

Electronic Bulletin Board

A key feature of the implementation of the special standard is an electronic bulletin board—the Data Standard Bulletin Board (DSBB)—which will be maintained by the Fund at a World Wide Web site on the Internet. The bulletin board will publicly identify countries that have signed up to meet the SDDS, provide relevant metadata, and inform users where they might obtain data for individual countries. Directors agreed that the metadata provided by the members subscribing to the special standard should be made publicly available through the bulletin board as early as possible in the transition period; in April, Directors agreed that the DSBB should be open to the public by the end of August.

Directors generally took the view that the electronic dissemination of individual country data, and not only the metadata, would be highly desirable, and they encouraged the staff to formulate specific proposals on how to facilitate this. A possible role for commercial vendors should be explored. Most Directors considered that access to the bulletin board should be without charge during the trial period, but that user fees should be applied at a later stage.

Directors indicated that the credibility of the standard would depend heavily on whether the information on the bulletin board was accurate and up to date, and they agreed that the Fund and financial market participants would have a strong interest in monitoring observance to ensure that this was the case. They generally were of the view that, during the transition period, countries should not be removed from the bulletin board except in exceptional cases involv-

ing egregious nonobservance. It was agreed that removal would be by a decision of the Board, which could draw on the advice of a panel of independent statistical experts.

General Standard

While agreeing that it was appropriate to move forward with the SDDS first, Directors during the January 1996 discussion emphasized that it was important that work on the general standard not be unduly delayed, bearing in mind the need for further consultation with

data users and producers. This was vital so that all Fund members would be able to benefit from the data dissemination standards initiative, not just those in a position to subscribe to the SDDS. Accordingly, at the April 1996 discussion, Directors called for work to continue on the elaboration of the general standard for Board consideration before the end of 1996. They also called for a review of the operation of the special and general standards by the end of 1997, and another review before the completion of the transition period at the end of 1998.

