The D4D Fund in the Global Statistical Capacity Development Architecture

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Global Statistics Capacity Development Agenda

IMF Capacity Development in Statistics

Relevance of D4D Fund

“Data has gained prominence as a vital building block for making sound policy. Without reliable and timely economic data, we would be wandering in the dark, making decisions on the basis of anecdotes, gut feelings, or worse.”

Managing Director Christine Lagarde
2014 IMF Statistical Forum
Drivers of Statistics CD

**Traditional**
- Development of national statistical systems
- Data gaps and quality concerns revealed by crises (e.g., 2007/08)
- Compilation focus
- Compliance with international standards (e.g. SNA 2008, BPM6)

**Newly emerging**
- Recognition of policy relevance of data
  - Global push for evidence-based policy-making
  - New user demands, incl. outside governments
  - IMF surveillance
- Transparency and accountability
  - Focus on dissemination
  - Engagement beyond compilers
- 2030 UN Agenda for Sustainable Development
  - 230+ SDG indicators
  - Data challenges for two-thirds of indicators
- Methodological advances and greater awareness of measurement challenges
  - Digital economy
- "Data Revolution"
  - Big Data

**Global Statistics Capacity Development Agenda**
Cape Town Global Action Plan for Sustainable Development Data
Prepared by the High-level Group for Partnership, Coordination and Capacity-Building for Statistics for the 2030 Agenda for Sustainable Development

Adopted by the UN Statistical Commission at its 48th Session March 2017


1. Introduction

Quality and timely data are vital for enabling governments, international organizations, civil society, private sector and the general public to make informed decisions and to ensure the accountability of representative bodies. Effective planning, follow-up and review of the implementation of the 2030 Agenda for Sustainable Development requires the collection, processing, analysis and dissemination of an unprecedented amount of data and statistics at local, national, regional and global levels and by multiple stakeholders. The 2030 Agenda explicitly calls for enhancing capacity building to support national efforts to implement the sustainable development goals.

National statistical systems (NSSs) face the urgent need to adapt and develop in order to meet the widening, increasing and evolving needs of data users, including for the full implementation of the 2030 Agenda for Sustainable Development. There is a wide range of statistical capacity among countries, with individual countries setting their own national priorities. Some countries are facing steeper challenges than others. Capacity building is important for all countries, even more so for developing countries, particularly least developed countries, landlocked developing countries, small island developing States and middle-income countries and other countries in vulnerable situations. This modernisation of national statistical systems (NSSs) is a major component of the 2030 Agenda for Sustainable Development. We call for policy leaders to achieve a global pact or alliance that recognizes the funding of NSS modernization efforts is essential to the full implementation of Agenda 2030.

Resolution adopted by the General Assembly on 6 July 2017

[without reference to a Main Committee (A/71/L.79)]

71/313. Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development

The General Assembly,

1. Urges countries, the United Nations funds and programmes, the specialized agencies, the Secretariat, including the regional commissions, the Bretton Woods institutions, international organizations and bilateral and regional funding agencies to intensify their support for strengthening data collection and statistical capacity building, including capacity building that strengthens coordination among national statistical offices, as appropriate and within their mandates, in a coordinated manner that recognizes national priorities and reflects national ownership of the implementation of the 2030 Agenda for Sustainable Development, in developing countries, particularly African countries, least developed countries, landlocked developing countries, small island developing States, middle-income countries, countries in situations of conflict and post-conflict countries, using all available means of support.

90th plenary meeting 6 July 2017
OECD Development Co-operation Report: Action Items to Bridge the Data Divide

- Boost statistical capacity and data literacy through new CD approaches
- Improve data on development financing to understand the state of SDG support
- Make statistical laws, regulations, and standards fit for evolving data needs
- Increase efficiency and impact of investment in data and CD through coordinated country-led approaches
- Improve the quantity and quality of financing for data by countries and partners
- Invest in, and use, country-led strategies and data ecosystems, incl. to monitor the SDGs

Global Statistics Capacity Development Agenda

Global Commitments to Statistics
(as percentage of ODA)

Global ODA Commitments: Share of Sectors, 2015
(in USD)

Global Statistics Capacity Development Agenda

Top Five Statistics CD Providers

- The Top Five providers of statistics CD implement around three-fourths of total ODA commitments.

- The IMF's statistics CD focuses on macroeconomic statistics where it is an international standard setter.

The estimated minimum costs for 144 developing countries to produce data for SDG indicators is USD 2.8 to 3 billion per year to 2030.

The ODA funding gap for producing SDG indicators in developing countries is about USD 0.7 billion per year up to 2030, implying a need for annual additional aid for statistics of USD 0.2 billion over 2015.

Quality aspects need to be assured as well.

Total minimum costs: USD 2.8-3 billion per year

Mainly domestic country resources, but possibly also PPPs, peer-to-peer CD, data philanthropy,.....

ODA resources: USD 0.7 billion per year

STA CD at a Glance: FY2018 Regional Capacity Development Allocation

84% increase in CD since FY2011

Share of TA/Training:
- Sub-Saharan Africa: 43%
- Asia & The Pacific: 18%
- Western Hemisphere: 13%
- Middle E. & C. Asia: 7%
- Europe: 26.2%
- Asia & The Pacific: 19%

Funding Structure (in Field Time Delivery):
- Technical Assistance:
  - RTAC-funded: 26.2
  - Partner-funded: 11.4
  - IMF-funded: 7.5
- Training:

Statistical Areas:
- Real Sector
- Government Finance
- External Sector
- Monetary and Financial
- Data Dissemination & Multisector
Positive Perception of IMF Statistics Technical Assistance

Nonetheless, Newly Emerging Challenges Suggest Recalibration of IMF CD in Statistics

**Demand and Impact**

- Recognizing scope of newly emerging issues
- Being agile in responding to demands from countries and international community (e.g., recent focus on fiscal and debt reporting)
- Safeguarding country-led approach, by agreeing with country on diagnostics and work plan tailored to absorptive capacity
- Leveraging IMF’s relations as a trusted advisor to countries, aiming to reach policy-makers to institute change (e.g., resources for statistics)

**Implementation and Results**

- Striking the right balance between advocating statistical standards and promoting data for policy-making ("methodology fit for purpose")
- Exhibiting openness to new products, techniques, and data sources, including by taking advantage of Big Data
- Sustaining impact of CD through a combination of TA and training/workshops, with emphasis on peer learning
- Measuring results chain and outcomes of CD through new Results-Based Monitoring (RBM) Framework
- Disseminating data and enhancing publication of TA reports to foster transparency and accountability and respond to new user needs

**Technology and Synergies**

- Using technology in CD, such as in dissemination and through launch of online learning
- Cooperating internally and with other CD providers to create synergies and ensure proper sequencing of CD reforms
- Emphasizing multi-partner CD vehicles (trust funds) to ensure flexibility and demand-driven approach and generate efficiency gains in CD administration
- Participating in global outreach to stress relevance of investment in data
**Changing Environment: Embedding CD in Holistic Vision for Data and Statistics at the IMF**

- **Priority 1:** Agility in identifying data needs
- **Priority 2:** Build a Global Data Commons
- **Priority 3:** Support the use of Big Data
- **Priority 4:** Ensure secure and seamless access and sharing of high-quality data
- **Priority 5:** Aim at a greater cross-country data comparability
- **Priority 6:** Address data weaknesses

A fast-changing data landscape

The IMF’s **overarching strategy** is to move toward an ecosystem of data and statistics that enables the Fund to better meet its evolving data needs in a digital world.

The key elements are **integration, innovation, and intelligence**.

A **new governance framework** aims to implement the overarching strategy.

STA’s **new mandate and the new governance structure go hand in hand**.

STA will work with other IMF departments to introduce a more **transparent assessment of data adequacy for surveillance** purposes.

**Source:** IMF Board Paper on Overarching Strategy on Data and Statistics at the Fund, SM/18/29, February 12, 2018
IMF’s Medium-term Steady State CD Architecture

Field-based Regional Technical Assistance Centers
Provide CD on “bread-and-butter” statistics to establish strong methodological foundation:
- RSS (close to full coverage)
- GFS (increasing coverage)
- ESS (limited coverage)

Aim to fill gaps in coverage

Financial Sector Stability Fund (LLMICs)
- Financial Soundness Indicators
- Balance Sheet Approach:
  - Monetary and Financial Statistics
  - International Investment Position
  - GFS balance sheets

D4D Fund (LLMICs)
- RSS Policy-relevant high-frequency data and source data
- GFS Topical gaps and expanded regional coverage on ESS basics
- ESS Financial Access Survey (FAS)
- Online learning
- Statistical Information Management

Bilateral & IMF’s own resources
- Data dissemination
- Targeted CD, for example:
  - Regional harmonization
  - Source data
  - Other priorities
- Advanced economies

Legend
RSS = Real Sector Statistics
GFS = Gov’t Finance Statistics
ESS = External Sector Statistics
LLMICs = Low and lower middle-income countries
STA CD Results Orientation: Accountability on Activities

The RBM System provides
- Greater clarity of purpose of CD activities
- Better tracking of progress toward results from CD
- Understanding of what has worked or not worked in the past
- Introducing more transparency and accountability on CD activities
- Promoting global best practices

RBM includes all IMF- and partner-financed STA projects

STA RBM—2 work streams, 26 outcomes
### Objective 1

1. **Strengthen compilation and dissemination of data on macroeconomic and financial statistics for decision making**

   According to the relevant internationally accepted statistical standard, including developing/improving statistical infrastructure, source data, serviceability and/or metadata.

### Work Stream 1

**Strengthen macroeconomic and financial statistics compilation and dissemination for decision making**

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<tr>
<th>Outcomes</th>
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<tr>
<td>1. The <strong>Legal/institutional environment</strong> is conducive to compile and disseminate macroeconomic and financial statistics; the <strong>Relevance/practical utility</strong> of existing statistics are monitored. <strong>Management processes</strong> monitor their quality; <strong>Institutional Integrity/Transparency/Ethical Practices</strong> meet statistical standards; statistical <strong>Leadership/strategic planning</strong> are in place.</td>
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<td>2. <strong>Resources</strong> are adequate for compiling and disseminating macroeconomic and financial statistics.</td>
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<td>3. <strong>Staff capacity</strong> increased through training, especially on developing source data, compilation methods, and dissemination.</td>
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<td>4. Data are compiled and disseminated using the <strong>concepts and definitions</strong> of the latest manual/guide.</td>
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<td>5. Data are compiled and disseminated using the <strong>coverage and scope</strong> of the latest manual/guide.</td>
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<td>6. Data are compiled and disseminated using the <strong>classification</strong> of the latest manual/guide.</td>
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<td>7. Data are compiled and disseminated using the <strong>sectorization</strong> of the latest manual/guide.</td>
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<td>8. Data are compiled and disseminated using the appropriate <strong>basis of recording</strong> consistent with the latest manual/guide.</td>
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<td>9. Data are compiled and disseminated using appropriate <strong>statistical techniques</strong>, including to deal with data sources, and/or assessment and validation of intermediate data and statistical outputs.</td>
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<td>10. <strong>Source data</strong> are adequate for the compilation of these macroeconomic statistics.</td>
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<td>11. <strong>Source data</strong> are routinely assessed (for coverage, sample error, response error, and nonsampling error) and assessments are monitored and made available to guide statistical processes.</td>
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<td>12. Higher frequency data has been compiled and made available internally and/or disseminated to the public.</td>
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<td>13. Improved timeliness of data made available internally and/or disseminated to the public (shorter delays).</td>
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<td>14. <strong>Internal consistency</strong> within a macroeconomic or financial dataset has improved (reduced discrepancies).</td>
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<td>15. Macroeconomic data sets used by policy-makers have been made more <strong>intersectorally consistent</strong> (reduced discrepancies).</td>
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<td>16. Longer time series have been compiled and made available internally and/or disseminated to the public.</td>
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<td>17. <strong>Revision</strong> studies and revision policy and practices have begun and/or have been released internally and/or disseminated to the public.</td>
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<td>18. A new data set has been compiled and made available internally and/or disseminated to the public.</td>
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<td>19. Data access to the public has improved through <strong>better formatting/framework presentations</strong> and/or assistance to users.</td>
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<td>20. Metadata released internally and/or disseminated to the public have been strengthened consistent with the dataset to enhance interpretation and analysis.</td>
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### Work Stream 2

**Enhance transparency of macroeconomic and financial statistics for decision making through strengthened dissemination via the Fund’s Data Standards Initiatives**

<table>
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<th>Objective 2</th>
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<tbody>
<tr>
<td>2.a. <strong>Participation in the e-GDDS</strong></td>
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<td>2.b. <strong>Subscription to the SDDS</strong></td>
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<td>2.c. <strong>Adherence to the SDDS Plus</strong></td>
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<tr>
<td>23. <strong>Member begins to participate in the e-GDDS</strong> (or fully updates its GDDS metadata)</td>
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<td>24. <strong>e-GDDS participant strengthens data dissemination practices through an NSDP or an ARC</strong></td>
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<td>25. <strong>Member takes all the steps needed to subscribe to the SDDS</strong> (specific baseline and milestone numbers to be specified in Briefing papers and BTOs)</td>
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<td>26. <strong>Member takes all the steps required to become an SDDS Plus</strong> adherent by meeting all requirements, or by meeting at least five new data categories and articulating plans for the rest (specific baseline and milestone numbers to be specified in Briefing papers and BTOs)**</td>
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Data for Decisions (D4D) Fund

Objective: Putting more and better data in the hands of decision makers to enhance evidence-based macroeconomic policies and support achievement of the sustainable development goals.

Focus: Strengthen national statistical systems to cope with a more challenging national and international policy environment, promote transparency and accountability, and offer efficient solutions to CD.

Conceptual Foundation: Based on a needs assessment that considered (i) demand from countries, (ii) policy relevance, (iii) identified data gaps and data quality concerns, (iv) complementarity of CD provided out of the IMF’s Regional Technical Assistance Centers (RTACs) and bilateral CD projects, and (v) the need for flexibility to react to a country’s capacity and readiness to accept CD.

Target countries: Mainly Low- and lower middle-income countries world-wide, including fragile states.

Size: US$33 million (including a 7 percent IMF trust fund management fee).

Duration: Five years (FY2019-24).
Relevance of D4D Fund

D4D Fund and the SDGs

More than one-third of SDG Indicators include economic variables

SDG Indicators

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National Accounts and Prices
- Impacts SDG Goals: 1, 2, 7, 8, 9, 10, 11, 12, and 14

Government Finance Statistics
- Impacts SDG Goals: 1, 7, 10, 11, 14, 16, and 17
- Linked directly to indicators under SDG Goals 7 and 17

Balance of Payments
- Impacts SDG Goals: 2, 3, 8, 9, 10, 15, 16, and 17
- Linked directly to an indicator under SDG Goal 8

Financial Access Survey
- Linked directly to an indicator under SDG Goal 8

SDG Indicators

1 No Poverty
2 Zero Hunger
3 Good Health and Well-being
4 Quality Education
5 Gender Equality
6 Clean Water and Sanitation
7 Affordable and Clean Energy
8 Decent Work and Economic Growth
9 Industry Innovation and Infrastructure
10 Reduced Inequalities
11 Sustainable Cities and Communities
12 Responsible Consumption and Production
13 Climate Action
14 Life Below Water
15 Life on Land
16 Peace Justice and Strong Institutions
17 Partnerships for the Goals

Linked directly to indicators under SDG Goals 7 and 17

SDG Indicators

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STA CD Under the D4D Fund: Focus on LLMICs and Fragile States

Beneficiary Countries
- Low- and lower-middle income countries (LLMICCs)
- LLMICCs and Fragile States
D4D Fund Reflects the Envisaged Recalibration of IMF CD in Statistics

Demand and Impact
* Scope in tune with newly emerging issues
* Agility through modular structure and wide LLMIC coverage
* Country-led approach
* Leveraging IMF as trusted advisor

Implementation and Results
* Focus on data for policy-making
* New products, techniques and data sources, incl. Big Data
* Combination of TA and training/workshops to sustain CD
* Close results-monitoring, including by partners
* Enhanced data and TA report dissemination

Technology and Synergies
* Online learning
* Coordination internally and externally
* Efficient CD administration
Thank you