

## Dissemination Issues

6.1. This chapter reviews good practices in disseminating data on remittances. Because these data are part of the balance of payments framework, general guidance on the dissemination of balance of payments data applies and some important aspects are summarized. However, this chapter also draws attention to issues that are specifically important to data on remittances, including the dissemination of supplementary information, the importance of bilateral data to some users, the dissemination of data to users who are not otherwise users of balance of payments statistics (and may not be economists), and the dissemination of data and meta-data from experimental compilation exercises.

### A. General Dissemination Issues

6.2. The *RCG* guide covers data on remittances in the balance of payments framework. In compilation as well as dissemination, best practices applicable to the balance of payments statement in general are also applicable to data on remittances. The DQAF provides guidance on the aspects of good practice in data dissemination.<sup>56</sup> Important elements of good dissemination practices include data accessibility, metadata accessibility, and adequate assistance to data users (see Box 6.1).

6.3. Data accessibility includes the choice of adequate media and formats of dissemination, data release on a preannounced schedule, and access to data for all users at the same time. Balance of payments data are often released in regular statistical bulletins published by the compiling institution. These are often accessible both in print and on the Internet. Press releases or briefings for specific target audiences are often made available at the date that data are published. It is

<sup>56</sup>This chapter summarizes only the most relevant points made by the DQAF. Compilers who wish to devise a dissemination strategy for remittances data are advised to consult the *RCG* together with the full DQAF.

desirable that data release dates are set in advance and communicated to interested users (e.g., by publishing a data release calendar) and that all users gain access to data at the same time to prevent the abuse of insider knowledge. Most countries also report their data for inclusion in *International Financial Statistics (IFS)* and the *Balance of Payments Statistics Yearbook (BOPSY)*, which are published by the IMF. These publications tend to be less timely than domestic data publications but provide comparable data from many countries and reach a wide audience.

#### Box 6.1. User-Friendly Data Dissemination: The Example of the Banco de Portugal

The Banco de Portugal, Portugal's central bank, improved its data dissemination system in January 2006. Since then, online access to the Banco de Portugal's Statistical Interactive Database has been available to all users through the Internet. This service ("estatísticas online") is user friendly and is accessible through Portuguese and English language sites. It provides easy navigation and access to the following:

- data in a time-series format;
- data in a multidimensional format;
- data and metadata on the statistics compiled by the Banco de Portugal (and by other institutions, with links to the relevant sites);
- the possibility of personalizing users' search options and registering for alert messages (notifications by e-mail on updates of prior selected data series); and
- a glossary, a release calendar, and a help facility.

Regarding remittances, the website provides easy access not only to transaction totals but also to bilateral data regarding a wide range of counterpart countries. This interactive database is called Bpstat. The Portugal's central bank website is [www.bportugal.pt](http://www.bportugal.pt).

6.4. Metadata accessibility requires that sufficient information is available on the concepts, classifications, and statistical techniques used in compiling balance of payments data. Metadata should also highlight data shortcomings, omissions, and deviations from international standards and practices, especially on definitions and classifications. Metadata should enable data users to understand the contents and limitations of associated data and allow them critical, well-informed use of these data.

6.5. Assistance to data users is important in case data users have problems accessing or using data. Contact points should be published, and data users should be able to obtain prompt and knowledgeable service. Information about related data series should be available through a publications catalogue.

## B. Standard and Supplementary Components

6.6. The *RCG* discusses various data items (their definitions are covered in Chapter 3). Some of them—notably “compensation of employees” and “personal transfers”—are components of the standard presentation of the balance of payments and are therefore part of any release of balance of payments statistics. Other items discussed here are supplementary items whose compilation and dissemination is encouraged but voluntary. If they are compiled, they should also be released through normal channels, such as a statistical bulletin.

6.7. Press releases or briefings for specific target audiences often focus on key items. Whether data on remittances should be included depends on the intended audience and the importance of remittances to the economy. If remittances are to be included, both standard and supplementary items may be used to illustrate recent developments in the reporting economy; however, it should be ensured that the audience understands that supplementary items are not part of the standard presentation.

6.8. Data reported for inclusion in the *BOPSY* and the *IFS* do not include supplementary items. However, both standard and supplementary items may be of interest to other data releases by international organizations. National statistical publications are likely to be the main dissemination channel for supplementary data, including items on remittances. Supplementary data referring to remittances could also be disseminated through publications or websites dedicated to remittances data or related topics, such as migration.

## C. Bilateral Data

6.9. Balance of payments data are normally compiled and disseminated by the reporting economy in a format that shows all transactions of residents with nonresidents, regardless of the country of residence of the nonresidents. This mirrors the convention in compiling national accounts data where the “rest of the world” account represents all nonresident entities.

6.10. For bilateral data, compilers have to identify the residence of the nonresident party—that is, they have to know the partner country to each transaction. Such bilateral data represent specific compilation challenges. Data sources on the residence of the foreign counterpart in every transaction have to be identified and additional data have to be processed. Often, it is difficult to establish the residence of the foreign counterpart if transactions are settled through third countries or transactions wholly take place in one country (e.g., travel services).

6.11. However, bilateral data are compiled and disseminated for some important data series. One that has geographic detail is the *Direction of Trade Statistics*, published by the IMF, which provides quarterly and annual estimates of bilateral trade data. Numerous countries also provide balance of payments data with major partner countries.<sup>57</sup> Bilateral data are not in all cases analytically relevant and can sometimes mislead data users. However, remittances are often closely related to migration between two countries, and bilateral remittance flows are therefore an analytically useful data item. In fact, data users often search for bilateral data as a meaningful measure for demographic and economic phenomena.

6.12. The dissemination of bilateral data should therefore be part of the longer-term work program of compiling agencies. Bilateral remittances data do not need to include all partner countries. Instead, bilateral data should focus on important remittance corridors—that is, pairs of countries with large flows. Relevant corridors can often be identified using demographic data (see Box 6.2). For most countries, a small number of corridors are likely to cover most remittance flows.

6.13. Compiling bilateral remittances data may often require estimations even if aggregate data are available from direct measurement. This is the

<sup>57</sup>“Major partner countries” refers to neighboring countries with substantial current account flows. Examples include Canada and the United States, the members of the European Union, and the members of the Southern African Customs Union.

### **Box 6.2. Disseminating Bilateral Data: Data from the Deutsche Bundesbank**

An example for a regular dissemination of bilateral remittances data is the annual *Special Statistical Publication, Balance of Payments by Region*, published by the Deutsche Bundesbank. This publication is designed to provide more detailed balance of payments data by important partner countries, regions (Africa, Asia, and so forth), and country groups (industrialized countries, developing countries) for all standard items. It is structured according to the balance of payments accounts. It also contains metadata, including general methodological information, data sources, and revision policy. The tables regarding current transfers contain information on public and private transfers with further subdivisions, including data on workers' remittances. Transactions with 20 countries, 5 regions, and 7 country groups for the past four years are shown.

The country breakdown presented in such general publications cannot focus on the country pairs that are most important in the context of remittances. The reason is that in Germany, as in many other countries, transactions such as trade in goods and financial investment are more important for the overall results. The important partner countries are not the same as in the case of remittances. However, such publications can be used as a platform to alert users that detailed data on remittances are available and can be received upon request.

case because data obtained from an ITRS or direct reporting by MTOs may often not identify the partner country correctly, but instead show flows with an international settlement center. It is important that compilers adjust these data adequately, such as by basing their estimations of bilateral flows partly on demographic indicators.

## **D. Disseminating to Special User Groups**

6.14. The users of data on remittances include many groups who are not regular users of other balance of payments data. For example, policymakers, analysts, and activists working on migration require better data on remittances. Providing easier access to relevant data from the balance of payments framework to such groups of users is the motivation for the new data definitions, especially the supplementary items (see Chapter 3).

6.15. The dissemination strategy should account for these data users. They are unlikely to be regular recipients of data through standard dissemination channels for balance of payments statistics. Data users with specific interest in remittances statistics can more easily be reached through focused newsletters, press releases, or special sections on a compiler's website dedicated to remittances data.

6.16. These special data release formats should include both data and metadata. With regard to metadata, it will be important to explain the definitions, statistical techniques, and data limitations in a manner that is accessible to nonspecialists. Data should also be set in context with the country-specific factors that shape them, such as established migration and remittance patterns.

## **E. Data and Metadata from Experimental Compilation**

6.17. Compilation practices for data on remittances are generally less settled than are those on other items in the balance of payments standard presentation. Many countries now review their remittances data, and some are experimenting with new compilation approaches. The data produced by experimental new approaches often differ from those obtained through established methods,

### **Box 6.3. What Users Need: Tools for Critical Data Use**

Compilers should not only practice transparency in data dissemination, but also provide data users with the necessary tools that allow them to access, assess, and use data in an effective manner.

Compilers should provide, and data users should insist on, adequate and current metadata on all data series. Metadata allow users to assess the inherent strengths and weaknesses of data in terms of coverage, valuation, and accuracy. Metadata should include information on data sources, data processing, estimation methods, underlying assumptions, and possible weaknesses of output data, including omissions and divergence in definition.

Compilers should identify, and data users should seek out, official data and distinguish them from other related data series. Nonofficial estimates and forecasts may have useful purposes, but they should not be confused with or misrepresented as official data.

sometimes showing strong fluctuations that cannot be tested for plausibility. In these instances, many compiling agencies are reluctant to release these data.

6.18. However, experimental compilation is an essential step in improving remittances data not only on a country level, but internationally. All compilers of balance of payments data will benefit if compilation experiments and their results are publicly available. It is not suggested that data obtained from experimental compilation exercises be included in the standard balance of payments presentation, unless there are no alternative data. But the data, metadata, and other relevant details of experimental compilation could be published as case studies or working papers. Compilers who do not have adequate publication media may post accounts of their work through interested international organizations or research organizations.

6.19. In some countries, remittances are very important to the overall macroeconomic balance. In this situation, the publication of different or strongly fluctuating estimates should be handled with great care. However, compilers can exchange the results of

their experiments with other compilers and legitimate stakeholders. There is little risk in publishing meta-data or working papers more widely. Judgment should be used to ensure that the public is informed, not confused, by the discussion of numerous compilation strategies and data sets.

6.20. Compilers should also ensure that data users can clearly distinguish official data—that is, the balance of payments statistics—from other data on remittances that are frequently circulated. When unofficial data are quoted in the media in a misleading manner, compilers should consider an official response. However, official data are not perfect and there are legitimate efforts to improve official estimates. Official data in some instances lack specific detail or coverage that many data users require, and organizations other than official compilers try to meet those needs by manipulating official data. Such data should not be published or be reproduced in a manner that could lead it to be mistaken for official data. Adequate metadata must be provided so that data users can understand how these data are compiled and why these data differ from official estimates (see also Box 6.3).