

Institutional arrangements for producing macroeconomic statistics in countries subscribing to the Special Data Dissemination Standard (SDDS)

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Introduction

This paper presents the results of a survey of the institutional arrangements for producing official macroeconomic statistics. The survey results cover 41 countries that have well-developed national statistical systems, and that subscribe to the IMF's Special Data Dissemination Standard (SDDS). It demonstrates the popularity of having multiple institutional responsibilities for producing macroeconomic datasets, with national statistical agencies taking the lead role overall. Most data producing agencies work within well-defined legal frameworks – an important basis for the integrity and professional independence of statistical agencies.

1. Survey on institutional arrangements of SDDS subscribers

A survey of SDDS member countries was conducted in November 2006 to shed light on institutional and legal arrangements for producing and disseminating macroeconomic statistics (Dziobek and Tanase, 2008, forthcoming). Most, but not all, of the countries that subscribe to the IMF's SDDS have well-developed national statistical systems. An important objective of the survey was to better understand the division of labour among data producing agencies in advanced economies, in order to provide some benchmarks for countries seeking to join the SDDS. It is widely recognised that clarity of institutional roles and the professional independence of statistical agencies are core ingredients for producing high-quality and impartial statistics (UN Fundamental Principles; IMF Data Quality Assessment Framework). The survey therefore focused on institutional roles and their legal underpinnings, as well as on interagency cooperation agreements in areas of common responsibility. The survey questions distinguished between responsibilities for collection and those for dissemination of data, as these sometimes reside with different agencies. For example, in many countries, the national statistical agency disseminates data on government finance statistics, while the data are produced by another agency, often the finance ministry. This distinction would appear to be important, since such separations require additional collaboration agreements. Some references are made in the Reports on the Observance of Standards and Codes – which are comprehensive assessments of the quality of macroeconomic statistics – to how well the legal and institutional frameworks of SDDS countries are faring. An extension of this study would involve a more systematic analysis of these quality reports, to provide more conclusive evidence about links between institutional structure and performance.

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Some of the survey results confirm information that is publicly available on the IMF's Data Dissemination Standard Bulletin Board (DSBB), where SDDS subscribers provide contact information and agency designations for each of the datasets covered by the standards, although such contact information does not necessarily imply formal legal responsibility. The DSBB is also a valuable resource for further research on this subject, as the detailed metadata on the institutional and legal arrangements now follow the structure of the Data Quality Assessment Framework, which allows cross-country or cross-topic searches according to the various quality indicators.

The survey questions covered national accounts, consumer price statistics, producer price statistics, general government statistics, depository corporations survey, balance of payments and international investment position. Of the 64 SDDS member countries that were requested to participate in the survey, 41 responded. The main findings are summarised below.

2. Institutional arrangements in the majority of SDDS countries

The national statistical office is the main data producing agency for national accounts and price statistics in about 83% of countries, while the central bank is the main agency for producing banking and monetary data (depository corporations survey) in all SDDS countries, as well as data on the international investment position (in about 83% of countries) and balance of payments statistics (in some 78% of countries). For balance of payments statistics, approximately 22% of respondents indicated that the main producing agency is the statistical office. For general government statistics, the institutional arrangements in the SDDS countries are more diverse. In roughly 68% of countries, the main data producing agency for government finance statistics is the ministry of finance, while it is the statistical office in about 24% and the central bank in about 7% of the countries (see Table 1).

Table 1
Agencies producing/disseminating
main datasets in SDDS countries
%

Agency	Data sets													
	National accounts		Consumer price statistics		Producer price statistics		General government statistics		Depository corporations survey		Balance of payments		International investment position	
	Producing agency	Disseminating agency	Producing agency	Disseminating agency	Producing agency	Disseminating agency	Producing agency	Disseminating agency	Producing agency	Disseminating agency	Producing agency	Disseminating agency		
Statistical office	83		93	88	85		24	32	0		22	27	17	22
Central bank	10		2	5	10		7	12	100		78	71	83	76
Min. of Finance	0		0	0	0		68	54	0		0	0	0	0
Other agencies	7		5	7	5		0	2	0		0	2	0	2
Total percentage	100		100	100	100		100	100	100		100	100	100	100

Source: Dziobek and Tanase (2008, forthcoming)

3. Role of the central bank

As noted above, in the “mainstream” model the national statistical agency is the main producer of economic statistics, while the central bank is responsible for a more specialised set of statistics. Central American countries are an exception, since central banks there are producing all or almost all statistics. A further analysis of the performance of these countries was conducted by consulting results of the Reports on the Observance of Standards and Codes. These suggest that the approach followed in Central America is more the result of pragmatic initiatives by central banks than of design. Central banks appear to have taken on the responsibility for producing virtually all macroeconomic data, in order to fill a void and in a context of weak and poorly endowed national statistical agencies. In these countries, the central banks generally lack a clear legal mandate. Nevertheless, this approach has generated tangible success in producing economic statistics, and it may offer some lessons, particularly for small countries.

4. Interagency coordination

The survey suggests that in most of the SDDS countries firm cooperation agreements are in place between statistical offices and other agencies that supply the data required as input. For the compilation of national accounts, the statistical office often notes that there has been cooperation with the ministry of finance (on data pertaining to government operations), as well as with the central bank or other data contributing agencies. Similarly, for external sector statistics, shared responsibility is prevalent, and special cooperation agreements are in place between the national statistical agency, the central bank, and often the ministry of finance or other agencies that compile external debt statistics. Table 1 shows differences between producing and disseminating agencies only for datasets where these differences are noteworthy. (In the case of national accounts, for example, producing agencies are also the disseminating agencies.) In a number of countries, consumer price indices are produced by the national statistical agency but disseminated by either the central bank or other agencies. Similarly, central banks are more often engaged in producing balance of payments statistics than they are in disseminating them. This suggests that many of the cooperation agreements currently in place are designed to address or clarify these divisions of labour.

5. Legal basis for assigning responsibilities to institutions and for interagency collaborations

The survey responses indicate that specific legislation is the most common legal basis for assigning responsibilities for economic data. The survey responses indicate that a law is the most common legal basis for assigning responsibilities for economic data. This holds for over 90 percent of the statistical offices, central banks, and the ministry of finance. Additional arrangements are noted by 11 statistical offices, 7 central banks and 3 ministries of finance. These arrangements include memoranda of understanding, official agreements, or established practices and, in most countries, supplement the legal framework.

Various mechanisms are in place to foster interagency coordination. The most common mechanism, indicated by about 70% of the SDDS survey responses, is working groups. Another is statistical committees and statistical councils (about 17% of responses). Some other mechanisms described in the survey responses include ad hoc expert meetings, regular meetings, phone consultation, cooperation based on mutual trust, and operational agreements such as memoranda of understanding and official agreements.

6. Can conclusions be drawn regarding a model institutional structure for producing official statistics?

SDDS countries have relatively complex institutional structures for producing economic statistics, but place strong emphasis on clearly defined roles and good governance. The SDDS countries appear to have opted for systems in which a national statistical agency takes the lead, while other institutions, including the central bank, have a subsidiary role. However, there are some noteworthy exceptions where the central bank plays a principal role, and these are worth further study as they may offer lessons for other countries. The role of other data providing agencies, through various existing arrangements, is also important. This mainstream institutional approach appears to recognise, at least in principle, the importance of separating the production and dissemination of statistics from policy making and the consequent independence of official statistics from the sphere of policy and politics. Thus, the principle of integrity establishes some important boundaries for developing effective statistical systems.

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