



IMF POLICY PAPER

December 2023

REVIEW OF THE FRAMEWORK FOR DATA ADEQUACY ASSESSMENT FOR SURVEILLANCE

IMF staff regularly produces papers proposing new IMF policies, exploring options for reform, or reviewing existing IMF policies and operations. The following documents have been released and are included in this package:

- The **Staff Report**, *Review of the Framework for Data Adequacy Assessment for Surveillance*, prepared by a staff team of the IMF for the Executive Board's consideration on a lapse-of-time basis, was completed on November 27, 2023.

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November 27, 2023

REVIEW OF THE FRAMEWORK FOR DATA ADEQUACY ASSESSMENT FOR SURVEILLANCE

EXECUTIVE SUMMARY

The Data Adequacy Assessment for Surveillance (DAA) is a key element of the framework for Data Provision to the Fund for Surveillance Purposes (DPF), aimed at ensuring high-quality data for economic analysis and policy advice. The IMF's efforts to bolster macro-financial stability and build the foundation for sustained growth require calibrating policies in a data-dependent manner. The Board endorsed the new principle-based DAA framework in March 2022, with a start date of January 2023. However, implementation has been significantly delayed by the status of the DPF review, which remains incomplete as discussions continue on other elements of the DPF. To avoid further delays, staff proposes proceeding with the implementation of the new DAA, ahead of the conclusion of the DPF review.

In line with guidance received from the Board, the new DAA provides a more structured, principle-based, and transparent assessment of data adequacy to support surveillance. The strengthened framework will facilitate policy dialogue with country authorities on macro-critical data issues and enhance the integration of surveillance and capacity development. The framework has the following features:

- **Greater objectivity and granularity in the assessment.** A questionnaire on the impact of various aspects of data quality on the effectiveness of surveillance will guide data-related discussions during Article IV consultations. Facts provided to inform country teams about a country's data and metadata will support greater objectivity. The categories of data adequacy assessments have been increased from three to four to allow for greater differentiation in the DAA classification compared to the current framework.
- **More transparent discussion of data issues in Article IV staff reports.** In addition to the overall assessment of data adequacy, a new Data Issues Annex (DIA), integrated in the staff report, will replace the current Statistical Issues Appendix in the Informational Annex. The DIA will explain the rationale for the assessment and highlight corrective actions, remaining data gaps, and potential CD needs. Data issues that significantly hamper surveillance will continue to be flagged in the staff appraisal of Staff Reports.
- **Dynamic enhancements going forward.** The DAA questionnaire will be periodically refined to reflect feedback from country authorities and staff. STA will maintain a new reference database on data quality characteristics to support country teams' assessment of data adequacy.

In view of the delay in completing the DPF Review, this paper seeks Board endorsement, on a lapse-of-time basis, for the February 1, 2024 rollout of the new DAA framework.

Approved By
**Cheng Hoon Lim and
Daria Zakharova**

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Glossary

BoP	Balance of Payments
CD	Capacity Development
CPI	Consumer Price Index
CSR	Comprehensive Surveillance Review
DAA	Data Adequacy Assessment for Surveillance
DGI	Data Gaps Initiative
DPF	Data Provision to the Fund for Surveillance Purposes
e-GDDS	Enhanced General Data Dissemination System
FSI	Financial Soundness Indicators
FY	Fiscal Year
G20	Group of Twenty
GDP	Gross Domestic Product
GFS	Government Finance Statistics
IEO	Independent Evaluation Office
IMF	International Monetary Fund
MFS	Monetary and Financial Statistics
SDDS	Special Data Dissemination Standard
SDDS Plus	Special Data Dissemination Standard Plus
SIA	Statistical Issues Appendix
SPR	Strategy, Policy, and Review Department
STA	Statistics Department
TA	Technical Assistance
TCIRS	Table of Common Indicators Required for Surveillance

INTRODUCTION

1. The new framework for the Data Adequacy Assessment for Surveillance (DAA) is part of the broader Review of Data Provision to the Fund for Surveillance Purposes (DPF). The DPF, in line with past reviews of data provision, encompasses both a review of what data the Fund requires for its activities as well as a review of how the Fund assesses the adequacy of members' data for surveillance purposes. While discussions on the overall envelope of the mandatory data provision are currently ongoing, the Board endorsed the new principle-based DAA framework in March 2022, and at the time approved a start date of January 2023.¹ However, implementation has been delayed by continuing discussions about the perimeter of mandatory data provision in the DPF review. To avoid further delays, staff propose to separate the launch of the new DAA framework from the other elements of the DPF review. This will ensure timely implementation of the new framework, with a target date of February 1, 2024.

2. The new DAA framework is aligned with the overarching theme of the DPF Review that data provision needs to be well integrated with evolving surveillance priorities of the Fund and its members. These objectives are in line with the 2021 [Comprehensive Surveillance Review](#) (CSR), which asks for more and better data to strengthen fact-based analysis, as well as the [Overarching Strategy on Data and Statistics for the Fund in the Digital Age](#), endorsed by the Board in March 2018 (Figure 1).² The Strategy calls for an integrated approach to the treatment of data issues. In responding to the [2016 Independent Evaluation Office's recommendations](#), the Strategy proposes closer integration of the CSR, the DPF, G20 Data Gaps Initiative, and the Review of IMF Data Standards Initiatives.³ It also emphasizes the need to better integrate surveillance and capacity development (CD).

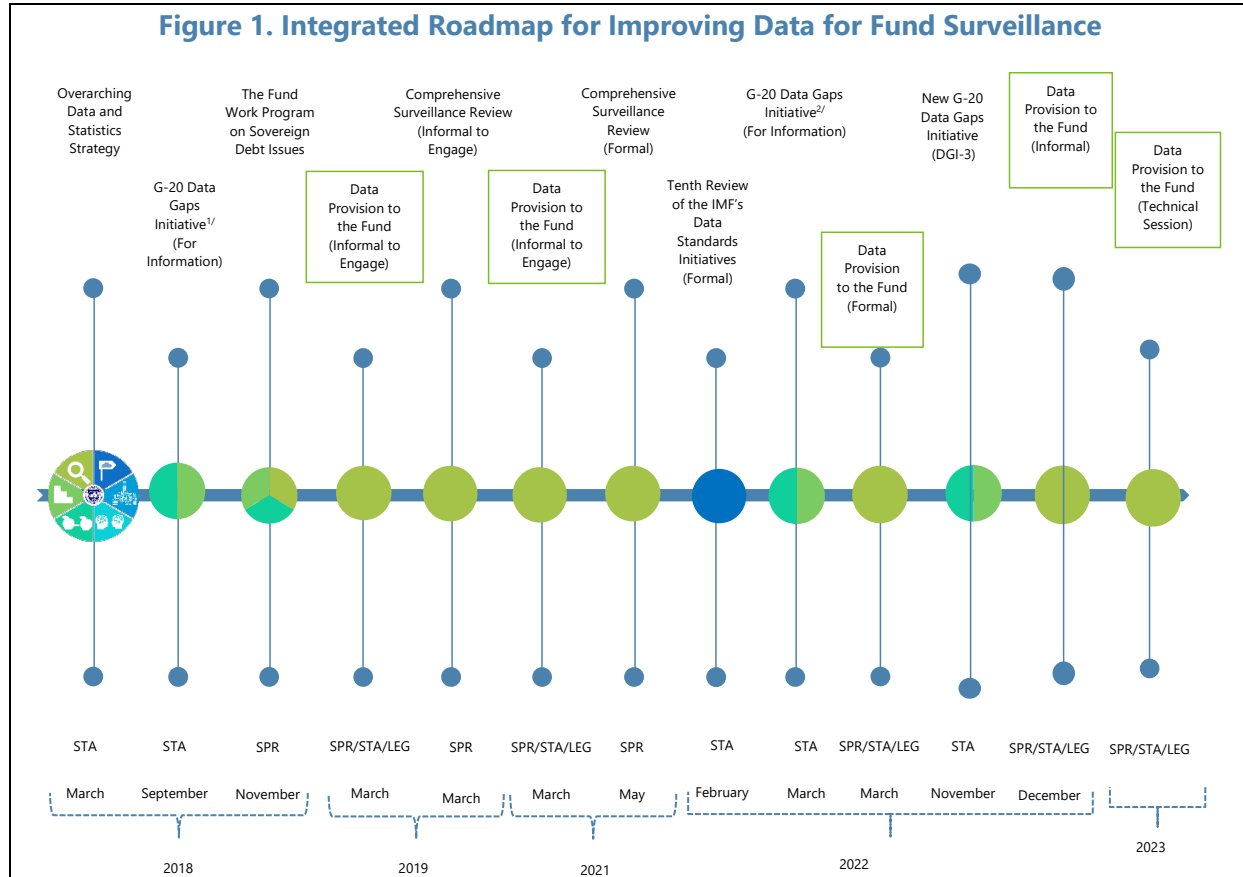
3. The design of the new DAA framework has benefited from an extensive and constructive exchange with the Executive Board and Area Departments. Executive Directors and the Executive Board provided strategic guidance on key DPF issues, including their support for a more structured and principle-based approach for assessing data adequacy for surveillance, during informal engagements in March 2019, March 2021, and December 2022 and during a formal Board meeting in March 2022. In addition, selected country teams participated in a trial exercise to assess

¹ The assessment of data adequacy for surveillance purposes is distinct from the assessment of compliance with data provision obligations under Article VIII, Section 5 of the Articles of Agreement. The latter is an obligation for member countries to provide to the Fund information deemed necessary for the Fund's activities, including surveillance, across all countries (this list is currently being assessed in the ongoing DPF Review). Member countries are required to provide as detailed and accurate information as possible given their ability. Depending on the country's circumstances and given the specific surveillance priorities of the Article IV consultation, the data required under Article VIII, Section 5 may be insufficient to allow staff to perform in-depth analysis and provide policy advice. In the DAA, country teams assess if data is adequate for surveillance and if country-specific data needs have been addressed.

² The last *Review of Data Provision to the Fund for Surveillance Purposes* was concluded in [2012](#). In 2015, the review cycle was extended to 5 years or more, on an as-needed basis. See [Selected Streamlining Proposals Under the FY16-FY18 Medium-term Budget – Implementation Issues](#).

³ The IMF data standards initiatives support voluntary data publication tiered according to member capacity: the Enhanced General Data Dissemination System (e-GDDS), the Special Data Dissemination Standard (SDDS), and the SDDS Plus.

the new components of the revised DAA in 2019, followed by a Departmental review of the operational guidance note in early 2023. The DAA framework presented in this paper is the product of this extensive feedback. It aims to strike a balance between achieving greater data granularity and consistency for effective surveillance and managing demands on IMF country teams and the administrative capacity of country authorities.



Source: IMF staff.

The *Overarching Strategy on Data and Statistics at the Fund in the Digital Age* includes six priorities (clockwise as depicted in the circle on the left of the chart): *Build the Global Data Commons*; *Support the use of Big Data*; *Ensure secure and seamless access to sharing of high quality data*; *Enhance cross-country data comparability*; *Address data weaknesses*; and *Agility in identifying data needs for effective surveillance*. The colors of the circles in the chart illustrate which of these priorities are addressed in the roadmap for improving data.

¹ Progress report on implementation of Phase II of the G20 Data Gaps Initiative (DGI-2). There have been DGI-2 progress reports every year since 2016.

² The final report of Phase II implementation that ended in December 2021 and includes the next steps.

NEW DATA ADEQUACY ASSESSMENT FOR SURVEILLANCE

4. Effective surveillance requires a candid assessment of data adequacy for conducting analysis and formulating policy advice. Staff has been required, as part of the Article IV consultation, to assess the adequacy of member countries' data for surveillance. In addition to an assessment in Statistical Issues Appendix (SIA),⁴ data issues are expected to be discussed in the main text of the Article IV staff report. Major deficiencies also need to be covered in the staff appraisal to ensure that readers can appreciate the extent to which data weaknesses might undermine the quality of staff analysis and policy advice. This approach seeks to ensure due attention to data issues in surveillance and prompt corrective actions if warranted, with staff proposing corrective measures and CD support as needed. In line with current practice, the DAA is not intended to evaluate whether a country's statistical practices adhere to the latest methodological standards.⁵ Instead, it focuses on examining how the data provided to the Fund affects the country team's ability to conduct effective surveillance.

5. A framework for assessing data adequacy for surveillance was first endorsed by the Board in 1995 and amended several times to facilitate greater candor. The DAA classification framework in place prior to this review was introduced in 2008,⁶ followed by operational improvements in 2012.⁷ That framework required country teams to make judgments as to whether, on aggregate, data is adequate for surveillance, broadly adequate, or has serious shortcomings that significantly hamper surveillance.⁸ The SIA was amended in 2012, with a greater focus on data issues affecting financial sector surveillance in the wake of the global financial crisis in 2008.⁹

6. Assessments of data adequacy for surveillance have been broadly stable since the last DPF review (Figure 2), but significant room for improvement was identified. Most country teams—more than 85 percent in 2022—assessed data as either adequate or broadly adequate to conduct surveillance. However, the 2016 IEO Report pointed out that the assessments of data adequacy in staff documents tend to be more-favorable-than-warranted. The IEO evaluators concluded that the lack of candor stems from several factors, including insufficient attention given

⁴ The SIA was endorsed by the Board in 2004 (See Review of Data Provision to the Fund for Surveillance Purposes Executive Board Meeting 04/25, March 15, 2004, BUFF/04/53) and refined in subsequent reviews of the Data Provision Frameworks and in 2015 with the introduction of the Enhanced General Data Dissemination System (see BUFF/08/57, BUFF/12/113, and DEC/15827).

⁵ A different framework, the Data Quality Assessment Framework (DQAF), is used for the assessment of conformity with best statistical practices, including internationally accepted methodologies, and is serves as framework for the Reports on the Observance of Standards and Codes (ROSCs), prepared by the Statistics Department.

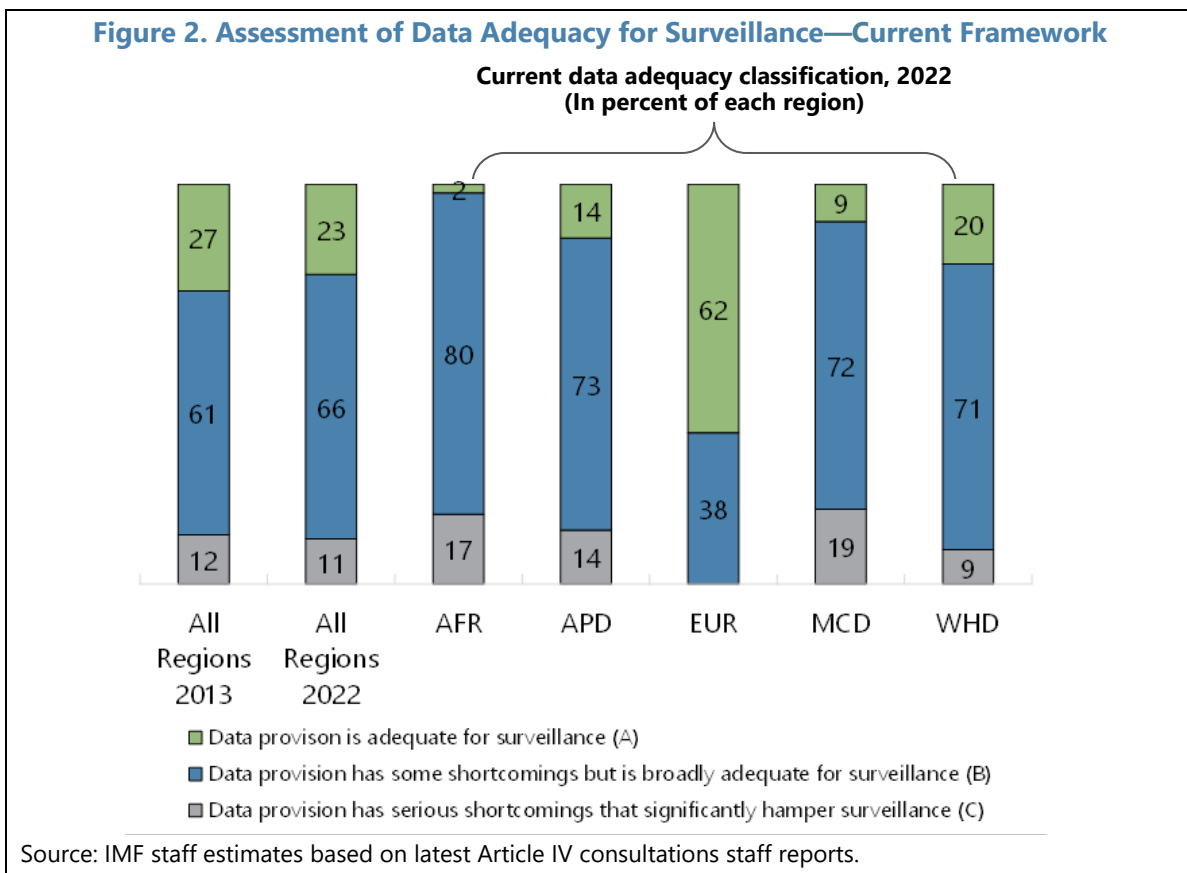
⁶ See IMF (2008).

⁷ See IMF (2012).

⁸ The 2022 Guidance Note for Surveillance under Article IV Consultations already mentions four data adequacy categories in anticipation of changes being introduced in this new framework (see below), given Board endorsement of those changes prior to the completion of the Guidance Note (IMF, 2022).

⁹ IMF (2013).

to data quality and concerns about undermining the relationship with country authorities as well as the credibility of staff’s analysis and policy advice. In addition, the IEO Report noted that the SIA “is largely ignored by country authorities and the Board” because it is not integrated in the staff report. In 2018, when endorsing the Overarching Strategy on Data and Statistics, the Board acknowledged that while data adequacy assessments rely on the judgment of country teams, they lack a clear statement of the country teams’ rationale for the assessment. For these reasons, the Board supported the introduction of a more structured and principle-based framework that would highlight data weaknesses more transparently and indicate how they hinder IMF staff’s analyses and policy advice. The strengthened framework will also facilitate policy dialogue with country authorities on data issues and improve the prioritization of capacity development efforts, by more clearly identifying areas where data needs to be improved. This would further enhance the integration of surveillance and CD.



7. The new DAA framework offers a more structured, granular, and principle-based assessment of data adequacy for surveillance, while taking into consideration resource constraints:

- **Streamlined questionnaire, complemented with data quality factsheets:** Twenty country teams were involved in the 2019 DAA trial exercise. They supported the new framework, appreciating the further integration of data issues, surveillance, and CD. They indicated that completing the questionnaire for the first time required just a few hours. In the subsequent,

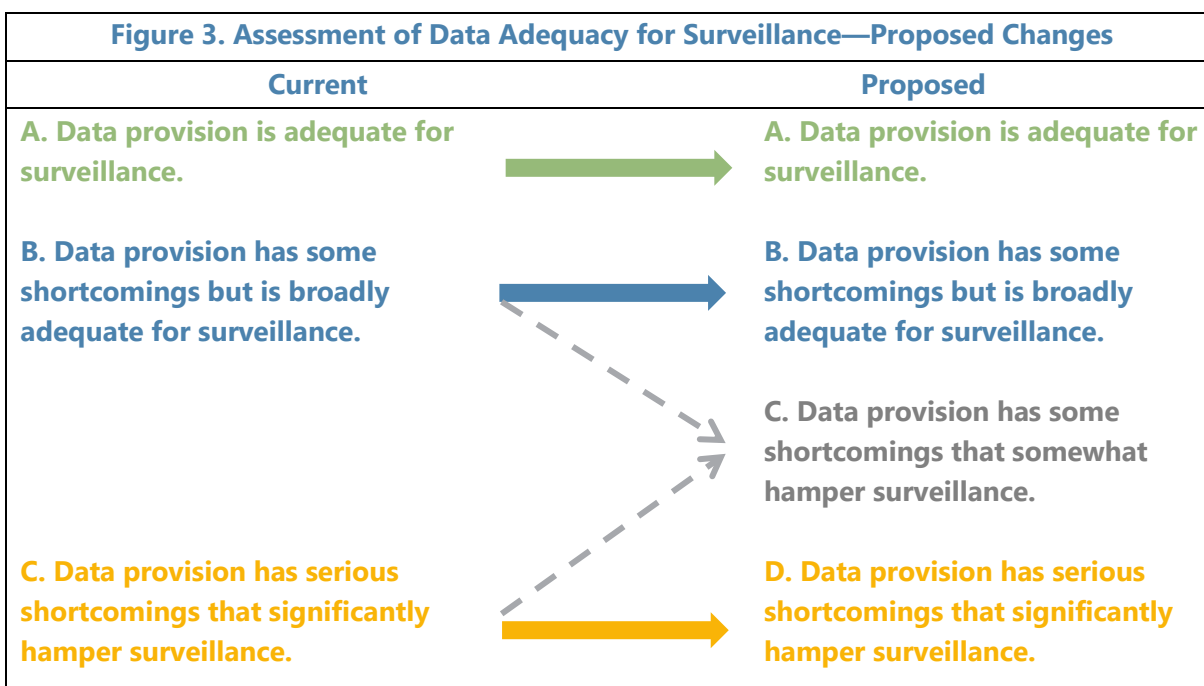
more comprehensive review process for the draft technical note for implementation of the new DAA, area departments raised concerns about resource implications, including the time needed for discussions during Article IV missions. To address this concern, STA significantly streamlined the questionnaire compared to the version discussed in the March 2022 Board paper on the DPF Review, reducing the number of questions from 30 to 18 (see Appendix I). Factual questions in the previous version of the questionnaire, for example, on the GDP base year, were removed. Instead, STA will provide country teams with a new internal tool reporting facts about a country's data and metadata, which will support greater objectivity in the assessment of data adequacy. To generate these data quality factsheets, STA is developing an internal database, drawing from several IMF datasets and data disseminated by country authorities.

- Country teams' assessment informed by data quality characteristics relevant for surveillance:** The revised questionnaire includes questions by sector (national accounts, price indices, government finance and debt statistics, external sector statistics, and monetary and financial statistics) that span data quality characteristics such as coverage, frequency/timeliness, reliability, consistency, and data granularity. Country teams will assess if the data for each sector is adequate for surveillance, taking into consideration factual information about data quality characteristics (provided in the factsheets) and their own judgement. Large differences between objective data quality characteristics and the country team's questionnaire responses will be discussed during the internal Article IV review process, and if needed, explained in the Article IV staff report.
- Greater granularity in the classification of data adequacy.** As endorsed by the Board in the March 2022 meeting on the DPF Review, the assessment categories were increased from three to four categories of data adequacy (A, B, C, and D), with categories A and B denoting that data are adequate or broadly adequate for surveillance and categories C and D denoting that data weaknesses hamper surveillance to some degree or significantly (Figure 3). Increasing the number of categories allows for more differentiation, reducing the moral hazard problems that have led to the bunching of assessments in the "broadly adequate for surveillance" (B) category.
- More transparent discussion of data issues in Article IV staff reports.** In line with existing practice, country teams should include their assessment of the country's overall data adequacy for surveillance in Article IV staff reports. Reflecting the recommendations of the [2016 IEO Report](#) to more prominently highlight data issues, a new Data Issues Annex (DIA) will be introduced to replace the current SIA, which is part of the Informational Annex (see Appendix II). The new DIA will be moved from the Informational Annex into the main staff report and will summarize the sector specific assessments from the questionnaire and provide an explanation of the rationale for the overall assessment. It will also outline any needed corrective action, including the authorities' plans to address data gaps and priorities for CD. The DIA will continue to include the Table for Common Indicators Required for Surveillance (TCIRS)¹⁰ and information on the country's participation in the IMF Data Standards Initiatives. For category C and D

¹⁰ When completed, the DPF Review may update the list of mandatory series. The list of the indicators in the TCIRS table will be updated accordingly.

countries, data issues should be explicitly discussed in AIV staff reports; and major deficiencies (Category D countries) will need to be discussed in the staff appraisal (see [IMF, 2022](#)).

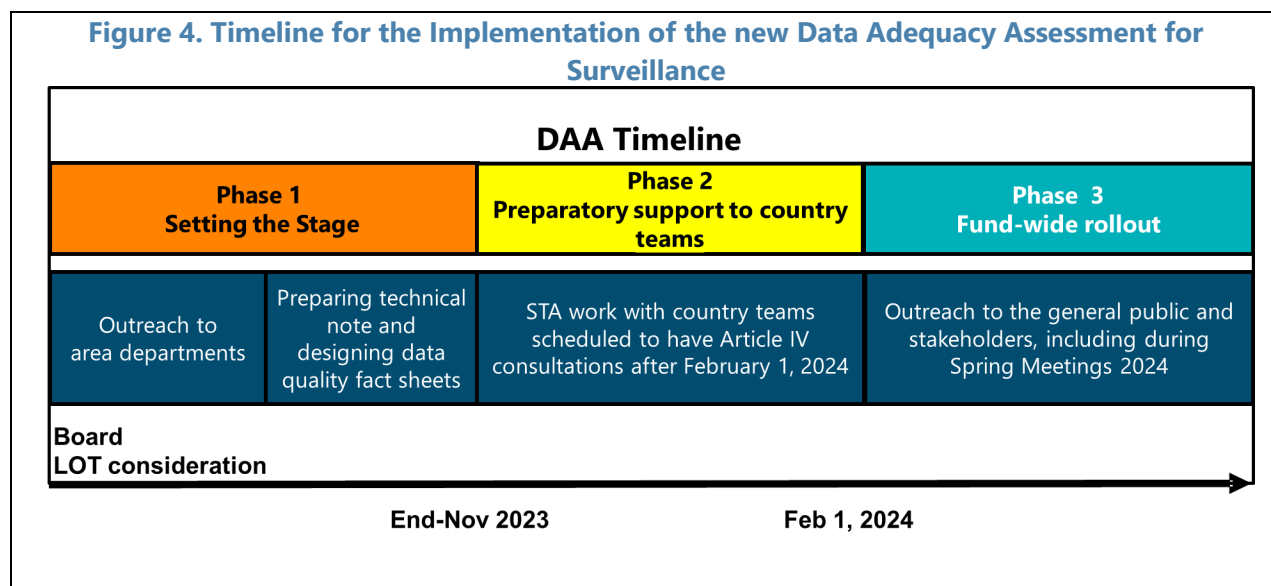
- **Dynamic enhancements going forward:** The DAA questionnaire and the data quality fact sheet will be fine-tuned over time based on feedback from country authorities and IMF staff. STA will maintain a database to store country teams’ responses to the questionnaire, the overall assessment rating, and corrective action to facilitate monitoring and evaluation.



8. STA will support country teams during the implementation of the new DAA and is planning outreach events for country authorities. STA is allocating resources (1 Full Time Equivalent, FTE) to support country teams when preparing the first DAA for an Article IV consultation. Once the new framework is established, the resource demands on country authorities, IMF country teams, reviewing departments, and STA are expected to be moderate, as the one-time investment in the DAA will be followed by regular updates in future Article IV consultations. STA will plan outreach events during the 2024 Spring Meetings to raise awareness among country authorities of the new DAA framework and their implications for surveillance. STA also stands ready to engage with country authorities by remotely attending data-related discussions during Article IV missions. A new pilot initiative to place STA economists on Article IV missions would also help facilitate the transition, albeit the initial number of missions covered will be small.

9. Staff requests Board endorsement to introduce the new DAA framework in Article IV consultations initiated (i.e., when the Policy Consultation Meeting takes place) after February 1, 2024. Given the significant delay in implementing the DAA, compared to the originally envisaged schedule, staff proposes proceeding with the implementation of the new DAA framework, including the replacement of the SIA with the new DIA, which will be moved to be an annex to the

main staff report, ahead of the completion of the DPF Review. The new proposed start date will give staff sufficient time and a predictable schedule to plan the implementation of the DAA (Figure 4). For Article IV consultations with policy consultation meetings before February 1, 2024, the current framework for assessing data adequacy will remain in place. The proposed decision for adoption by the Executive Board is included below.



Appendix I. Questionnaire for the New Data Adequacy Assessment for Surveillance

Instructions. The questionnaire has six sections that evaluate the adequacy of data provision for surveillance purposes, where adequacy is as defined in the table below (category A, B, C and D). The first two sections focus on statistics in the real sector, covering both the national accounts and price indices, and the next three sections on the fiscal, external, and financial sectors. The last section provides room for the country team to highlight any issues related to inter-sectoral consistency. To support the country team's assessment, STA provides for each section of the questionnaire a data quality factsheet about the country's data quality characteristics (coverage, consistency, reliability, and timeliness), using data and metadata from IMF databases and those reported/published by countries. The criteria provided for each question and accompanying data quality factsheets are not meant to be exhaustive, and country teams should consider all data available to the team and other important aspects in which data affects surveillance.

Definition of Categories of Data Adequacy for Surveillance

Category A: The data provided to the Fund is adequate for surveillance: this indicates that the data is comprehensive, consistent, and covers all the aspects relevant for surveillance purposes. There is a high level of confidence in the overall quality of the data and the team's analysis.

Category B: The data provided to the Fund has some shortcomings but is broadly adequate for surveillance: This indicates that the data provided to the Fund is mostly comprehensive and consistent, covering a wide range of aspects relevant for surveillance purposes. There may be some shortcomings or minor gaps, but they do not significantly impact the overall quality of the team's analysis.

Category C: The data provided to the Fund has shortcomings that somewhat hamper surveillance: This indicates that the data provided to the Fund may have some notable gaps or limitations that could affect the overall quality of the team's analysis.

Category D: The data provided to the Fund has serious shortcomings that significantly hamper surveillance: This indicates that the data is minimally sufficient for surveillance purposes. It may have significant gaps, limitations, or inconsistencies that compromise the overall quality of the team's analysis.

Real Sector Statistics – GDP/National Accounts

1. Coverage: Is the coverage of sectors, industries, and activities, including those related to the informal/illegal sector, in the national accounts sufficiently comprehensive and up to date for the team's analysis? Are revisions to the national accounts well explained, limited in size and frequency, so that the team's analysis does not yield different outcomes depending on the vintage of the data?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

2. Granularity: Do measures of economic activity include a breakdown by production, expenditure, and income? Are the breakdowns sufficiently granular, such that the team can differentiate between public and private consumption and investment? Are there differentiated deflators available for the expenditure components?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

3. Frequency/Timeliness: Are national account statistics available at the frequency and timeliness that are appropriate for the team's analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Real Sector Statistics – Consumer Price Index (CPI)

4. Coverage: Is the coverage of the CPI sufficiently comprehensive for the team's analysis, considering factors such as geographic coverage, coverage of social groups, informal markets, and illegal goods and services? Does the CPI reflect appropriately current spending patterns? Are differences between the national accounts' household consumption expenditure deflator and the CPI well explained?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.

- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

5. Frequency/Timeliness: Is the CPI available at the frequency and timeliness that are appropriate for the team's analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Fiscal Sector Statistics – Government Operations and Debt

6. Coverage: Is the coverage of government operations and debt statistics sufficiently comprehensive for the team's analysis of the fiscal stance, one-off fiscal measures and risks, including risks from quasi-fiscal activities? Are arrears, guarantees, public-private partnerships (PPPs), and other contingent liabilities distinctly identified in the debt statistics?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

7. Granularity of Government Operations: Are the breakdowns of revenue (by type of tax, etc.) and expenditure (by economic and functional classification) sufficiently granular for the team's analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

8. Granularity of Debt Statistics. Is the structure of the debt (based on factors such as residency, creditor, instrument, currency, maturity) sufficiently granular for the team's analysis, including for their assessment of debt sustainability?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

9. Consistency: Are above-and below-the-line transactions consistent, so that revenues less expenditures equals financing/net lending? In cases where there are discrepancies, are these well explained (for instance by providing information on off-budget accounts) so that the fiscal stance and fiscal risks are clearly identified? Are differences between the annual change in the stock of public debt and identified debt-creating flows (e.g., primary balance, automatic debt dynamics, exchange rate), also known as stock-flow adjustments, large and unexplained? In cases where the stock-flow adjustments are large, do they significantly affect the margin of error around the team's baseline debt projections?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

10. Frequency/Timeliness: Are fiscal statistics available at the frequency and timeliness that are appropriate for the team's analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

External Sector Statistics

11. Coverage: Do external sector data, such as the Balance of Payments (BoP) and international investment position (IIP), cover the main components of the BoP (viz., current account, financial account, and capital account) and IIP (e.g. assets and liabilities) and their corresponding functional categories (e.g. direct investment, portfolio investment, financial derivatives and other investments)? Is the size of the net errors and omissions large and does it affect the quality of team's analysis and projections? Are BoP flows consistent with the IIP stocks? Is information regarding changes in exchange rate valuations, variation in asset and liability prices, and other relevant information available, to ensure a consistent stock-flow reconciliation between BoP and IIP?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

12. Granularity: Is the breakdown of external sector data (e.g., by type of good/service/income, functional category, institutional sector, currency, maturity structure of financing instruments, IIP asset/liability structure, etc.) sufficiently granular for the team’s analysis of current account risks and/or of risks from capital flows and excessive leverage? Is information on net international reserves sufficiently detailed, including pledged or encumbered assets and foreign exchange swap lines?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

13. Frequency/Timeliness: Are external sector statistics available at the frequency and timeliness that are appropriate for the team’s analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Monetary and Financial Sector Statistics

14. Coverage: Is the coverage of monetary and financial statistics, including of financial activities beyond the banking system, sufficiently comprehensive for the team's analysis of the monetary policy stance and financial stability risks?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

15. Granularity of Monetary and Financial Statistics: Are the breakdowns of financial sector assets and liabilities by debtor/creditor type, residency, currency, instruments, maturity, and so on, sufficiently granular for the team’s analysis of financial stability risks?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

16. Granularity of Financial Soundness Indicators: Are measures of capital adequacy, liquidity, asset quality, profitability, and other relevant measures, available and sufficiently granular for the team's analysis of vulnerabilities in the financial sector?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

17. Frequency/Timeliness: Are the monetary survey, financial sector balance sheet, and financial soundness indicators available at the frequency and timeliness that are appropriate for the team's analysis?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Inter-sectoral Consistency of Macroeconomic Statistics

18. Inter-sectoral consistency: Please assess if statistics across sectors of the macroeconomic framework are consistent and provide support to the team's analysis.

Consider the following inter-sectoral issues when answering the question: Is the central bank's financing of the government, as depicted in the government finance statistics, consistent with the central bank's balance sheet data? Does government borrowing from commercial banks aligns in both the government finance statistics and the commercial banks' balance sheets? Is the trade data in the national accounts consistent with the trade data in the BoP? Is capital spending, as reported in the government finance statistics, consistent with public investment as shown in the national accounts?

Select a category:

- A. The data provided to the Fund is adequate for surveillance.
- B. The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C. The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D. The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Comment.

Appendix II. Sample Data Issues Annex

[COUNTRY NAME]: Data Issues Annex

As of [DATE]

[COUNTRY NAME]: Data Adequacy Assessment Rating							
B							
Questionnaire Scores							
	NA	CPI	GFS	ESS	MFS/FSI	Inter-sectoral	Median Rating of Questionnaire Answers
Assessment	A	B	B	B	C	A	B
Detailed Questionnaire Results							
Data quality characteristics							
Coverage							
Granularity			GO		MFS		
			Debt		FSI		
Consistency							
Frequency and Timeliness							
Notes: CPI: Consumer Price Index; Debt: Government Debt; ESS: External Sector Statistics; FSI: Financial Soundness Indicators; GFS: Government Finance Statistics; GO: Government Operations; MFS: Monetary and Financial Statistics; NA: National Accounts.							

Categories of data adequacy assessment for surveillance:

- A:** The data provided to the Fund is adequate for surveillance.
- B:** The data provided to the Fund has some shortcomings but is broadly adequate for surveillance.
- C:** The data provided to the Fund has some shortcomings that somewhat hamper surveillance.
- D:** The data provided to the Fund has serious shortcomings that significantly hamper surveillance.

Rationale for the assessment. Explain whether data weaknesses have a bearing on staff's analysis of macroeconomic and financial risks. Analysis based on poor quality data can lead to inaccurate assessments of these risks, thereby, potentially affecting staff's overall policy conclusions and recommendations. If the Data Adequacy Assessment Rating is different from the median questionnaire score, please explain the rationale for the deviation.

Progress since the last Article IV Consultation. Describe whether previously identified data weaknesses have been resolved.

Identify corrective actions and prioritize capacity development. Describe the discussion of the

data adequacy assessment with the authorities during the Article IV Consultation to support data-related CD prioritization.

Explain if data used by staff is different from official statistics. Explain why the Article IV Consultation staff report did not use official statistics (even when the latter is available) and explain staff's approach to estimating data.

Identify any remaining data gaps. Highlight data needs not covered in the questionnaire that would enhance staff's analysis, such as data related to climate change, income and gender inequality, and digitalization.

[COUNTRY NAME]: Data Standards Initiatives
<i>(Describes participation and relevant progress within the Funds' Data Standards Initiatives)</i>

[COUNTRY NAME]: Table of Common Indicators Required for Surveillance

(data categories to be updated as relevant, after the completion of the Review of Data Provision to the Fund for Surveillance Purposes; example below corresponds to a country participating in the e-GDDS)

(as of xx, 2023)

	Data Provision to the Fund				Publication under the Data Standards Initiatives via the National Summary Data Page (NSDP) 6			
	Date of Latest Observation	Date Received	Frequency of Data ⁶	Frequency of Reporting ⁵	Frequency		Timeliness	
					Expectation ⁷	Current Practice	Expectation ⁷	Current Practice
Exchange Rates	2-Aug-23	3-Aug-23	D	D	D	D	...	1D
International Reserve Assets and Reserve Liabilities of the Monetary Authorities ¹	Jun-23	Jul-23	M	M	M	M	1M	1M
Reserve/Base Money	Mar-23	Jun-23	Q	Q	M	Q	2M	1Q
Broad Money	Mar-23	Jun-23	Q	Q	M	Q	1Q	1Q
Central Bank Balance Sheet	Mar-23	Jun-23	Q	Q	M	Q	2M	1Q
Consolidated Balance Sheet of the Banking System	Mar-23	Jun-23	Q	Q	M	Q	1Q	1Q
Interest Rates ²	2-Aug-23	3-Aug-23	D	D	D	D	...	1D
Consumer Price Index	Jun-23	Jul-23	M	M	M	M	2M	1M
Revenue, Expenditure, Balance and Composition of Financing ³ —General Government ⁴	Jun-23	Jul-23	Q	Q	A	Q	3Q	1M
Revenue, Expenditure, Balance and Composition of Financing ³ — Central Government	Jun-23	Jul-23	Q	Q	Q	Q	1Q	1M
Stocks of Central Government and Central Government-Guaranteed Debt ⁵	Jun-23	Jul-23	Q	Q	Q	Q	2Q	1M
External Current Account Balance	Mar-23	Jun-23	Q	Q	Q	Q	1Q	1Q
Exports and Imports of Goods and Services	Mar-23	Jun-23	Q	Q	M	Q	12W	1Q
GDP/GNP	Mar-23	May-23	Q	Q	Q	Q	1Q	2M
Gross External Debt	Mar-23	Jun-23	Q	Q	Q	Q	2Q	1Q
International Investment Position	Mar-23	Jun-23	Q	Q	A	Q	3Q	1Q

¹ Includes reserve assets pledged or otherwise encumbered, as well as net derivative positions.

² Both market-based and officially determined, including discount rates, money market rates, rates on treasury bills, notes and bonds.

³ Foreign, domestic bank, and domestic nonbank financing.

⁴ The general government consists of the central government (budgetary funds, extra budgetary funds, and social security funds) and state and local governments.

⁵ Including currency and maturity composition.

⁶ Daily (D), Weekly (W), Monthly (M), Quarterly (Q), Annually (A); Irregular (I); Not Available (NA).

⁷ Recommended frequency and timeliness under the e-GDDS and required frequency and timeliness under the SDDS and SDDS Plus. Any flexibility options or transition plans used under the SDDS or SDDS Plus are reflected.

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