

## Data for Decisions (D4D) Fund: Phase II

### Concept Note

*This note serves as an input for discussion with existing and potential partners on the core priorities for Phase II of the D4D Fund with a view to securing funding for its implementation. The D4D Fund is an IMF thematic fund that supports IMF-member countries in strengthening their national statistical systems to enhance evidence-based macroeconomic policymaking. The proposed budget for Phase II of the D4D Fund, May 2025 – April 2030, is US\$ 45 million for which the IMF will seek additional donors. The increase of US\$ 12 million over the Phase I budget reflects coverage of new workstreams on climate and data dissemination and the integration of Big Data sources into tailored capacity development (CD) to help D4D Fund beneficiary countries better meet their evolving data and statistics needs. Phase II will continue to focus on serving low- and lower middle-income countries and fragile and conflict-affected states, building upon and expanding on the successes of Phase I and incorporating the lessons learnt during seven years of delivery and the recommendations from the mid-term independent evaluation. A change management approach will be adopted for more lasting CD impact, with the data usage dimension at the forefront of CD program design and post-delivery stages, and earlier engagement with country authorities for greater ownership and absorption capacity.*

### Why a Phase II?

**Demand for CD on policy-relevant staple and more advanced macroeconomic statistics is expected to endure in this decade.** With medium-term growth prospects weak, and the existing risk of further divergence across countries, continued statistical capacity building would help country authorities base policymaking on evidence. It would also be critical the IMF's key policy priorities, which are to (1) safeguard macroeconomic stability and rebuild buffers while enhancing prosperity through growth-oriented and green reforms; and (2) bolster international cooperation to strengthen the global financial safety net and debt architecture and to support ongoing fundamental transitions that transcend borders and require joint action.<sup>1</sup> These policy priorities require sustained efforts to strengthen national statistical systems—particularly in low- and lower middle-income countries (LLMICs) and fragile and conflict-affected states (FCS)—while addressing emerging data needs, tapping alternative data sources, and advancing data transparency.

**Adapting updated statistical methodologies and developing new data collection methods would also trigger greater CD demands.** While the updates of the core statistical manuals will address climate accounting, digitalization, financial inclusion and the informal economy, interest in the use of Big Data is also expanding and holds the key to more timely indicators especially in LLMICs/FCS. In the area of climate statistics, as the methodological work on the seven climate recommendations of the G-20 Data Gaps Initiative 3 advances, Big Data sources would also be harnessed to compile climate indicators for several purposes including to support the IMF Resilience and Sustainability Trust—with implications for

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<sup>1</sup> The Managing Director's Global Policy Agenda, Annual Meetings 2023: [Building Shared Prosperity and Collective Resilience](#).

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greater demands for CD. The IMF will work closely with other stakeholders in supporting the development of policy-relevant climate indicators.

## Background

**The D4D Fund has become the flagship funding vehicle for the IMF’s delivery of CD on statistics to support evidence-based macroeconomic policymaking.** Since its launch in June 2018, the D4D Fund has established a strong record of accomplishment in supporting LLMICs and FCS in strengthening their policy-relevant macroeconomic statistics for evidence-based decision-making. Placing more and better data in the hands of decision-makers, strengthening national statistical systems, and promoting transparency and accountability, are prerequisites for achieving sustainable growth and coping with a more challenging national and international policy environment. The D4D Fund has been supporting the IMF’s CD delivery on strengthening macroeconomic statistics in LLMICs and FCS by developing and implementing an ambitious CD program on real and external sector and government finance statistics (GFS). This was complemented by further expansions of the financial access survey (FAS) database, the development of a comprehensive online learning curriculum in multiple languages, and *ad hoc* support on data management.

**CD delivered under Phase I of the D4D Fund has achieved notable outcomes.** Thanks to the modular approach of the program, progress has been achieved in improving the availability and quality of policy-relevant economic and financial statistics in different statistical areas and country contexts. These include more reliable national accounts and balance of payments and international investment position statistics, as well as wider availability of high-frequency indicators (HFIs) and residential property price indices (RPPI) among LLMICs. Improvements in GFS—and in particular, public debt—have contributed to more debt transparency and policy formulation. Coverage and scope of the FAS database have improved, with more gender-disaggregated data and new datasets such as mobile and internet banking, leading to better information to support policymaking on financial inclusion. The online learning curriculum developed under Phase I has allowed an unparalleled IMF training reach, with over 12,000 participants around the world benefiting from foundational concepts on macroeconomic and financial statistics. It also allowed the IMF to remain engaged on CD with government officials during the pandemic and provided the foundation to innovate towards more blended learning modalities post-pandemic. To date, over 600 CD activities (about 500 technical assistance missions and 100 multicounty trainings) have been delivered in Phase I, complemented by almost 100 online course offerings in three different languages and nearly 300 limited engagements, benefiting more than 130 countries over five years. The Africa region has been receiving the bulk of D4D-funded support. At the end of Phase I, most outcomes of the D4D Fund strategic log frame are expected to be fully or largely achieved.

**The mid-term external evaluation of Phase I of the D4D Fund concluded that the program is highly relevant, effective, coherent and efficient.**<sup>2</sup> The evaluation also made valuable recommendations on how to further improve the program, including by increasing the likelihood of achieving longer-term impact at the data user level, which is a necessary condition for improving

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<sup>2</sup> [The independent evaluation](#), covering the period from June 2018 to April 2021, was conducted by the Netherlands-based consulting company SEO-Amsterdam Economics applying OECD-DAC evaluation criteria.

macroeconomic policy decisions. The external evaluation identified seven main areas where adjustments could improve the relevance, effectiveness, impact, sustainability, coherence and efficiency of the D4D Fund. The IMF's response to the recommendations of the external evaluation will inform the design of the Phase II of the D4D Fund (Annex).

**The demand for CD to address source data gaps in LLMICs is expected to grow in the medium-term as more countries adapt technologies to their statistical compilation programs.**

Macroeconomic statistics are, for the most part, derived statistics, produced by using primary data—obtained from a variety of sources—and coding/classifying/adjusting this source data to align with macroeconomic accounting concepts and then recording the resulting summarized transactions and stocks (derived data) into an integrated macroeconomic accounting system. The key constraint identified by statistical agencies when developing macroeconomic statistics is access to the primary or source data. As government agencies digitize their service delivery, a growing set of digitized administrative data has become available to producers of macroeconomic accounts. More recently, an increasing number of private sector firms are also making primary data available (either at cost or providing free open access) that could be used as building blocks in the production of macroeconomic accounts. Examples of these Big Data sources include value added tax data, social security data, personal and corporate income tax data, customs data, earth observation data, website traffic data, scanner data, mobility data, transportation data (*e.g.*, vessel traffic). While these data provide an important opportunity to enhance the macroeconomic statistical system, they require a specific set of technologies and skill set to transform these data into the type of primary data that can be used to produce macroeconomic statistics as well as policy-relevant climate indicators.<sup>3</sup>

IMF member countries are increasingly seeking technical assistance from the IMF's Statistics Department (STA) in accessing these 'new' data sources, processing the data, and transforming the data into the type of primary data that could be used to produce macroeconomic accounts, often with improved timeliness and granularity. The integration of Big Data sources into tailored CD would support both the macroeconomic and environmental and climate change statistics workstreams under a proposed Phase II of the D4D Fund.

**Data transparency is also featured in the proposed Phase II of the D4D Fund.** While traditional CD activities support the compilation of macroeconomic statistics with the ultimate outcome being their use for policymaking, a robust statistical compilation program is in itself not sufficient. Statistical authorities also need to employ modern dissemination practices and tools to provide open access to these data to ensure the data are discovered, understood, and used by policymakers, researchers, and citizens. To support this effort, the Phase II of the D4D Fund envisages a broad data dissemination workstream to assist countries set up more timely and efficient dissemination of data, including but not limited to, key macroeconomic and financial data disseminated on National Summary Data Pages (NSDPs). Data consumers will benefit from more accessible data *via* Application Programming Interfaces or APIs, easy integration for common statistical programming languages (*e.g.*, R, Python), and interactive front end

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<sup>3</sup> Supporting the use of Big Data in the IMF is one of the six priorities of the [Overarching Strategy on Data and Statistics](#) adopted in 2018. The key objective of the Strategy is to move toward an ecosystem of data and statistics that enables the IMF and its members to better meet their evolving data and statistics needs, where Big Data is part of this new ecosystem.

user interfaces to query data. The workstream would assist countries to integrate innovative processes for dissemination into their existing statistical processes. A focus on data modeling in Statistical Data and Metadata eXchange (SDMX) will empower agencies to tell their own stories by enabling them to create machine to machine readable datasets. An ecosystem of free software tools that have been developed by the SDMX community will be offered to recipients with bespoke solutions calibrated according to existing IT infrastructures and capacity. This workstream could continue to include SDMX refresher training courses for Enhanced General Data Dissemination System (e-GDDS) participants and support for Special Data Dissemination Standard (SDDS) subscribers to adopt SDMX as recommended in the [Tenth Review of the Data Standards](#).

## Proposed D4D Fund - Phase II

### OBJECTIVES AND STRUCTURE

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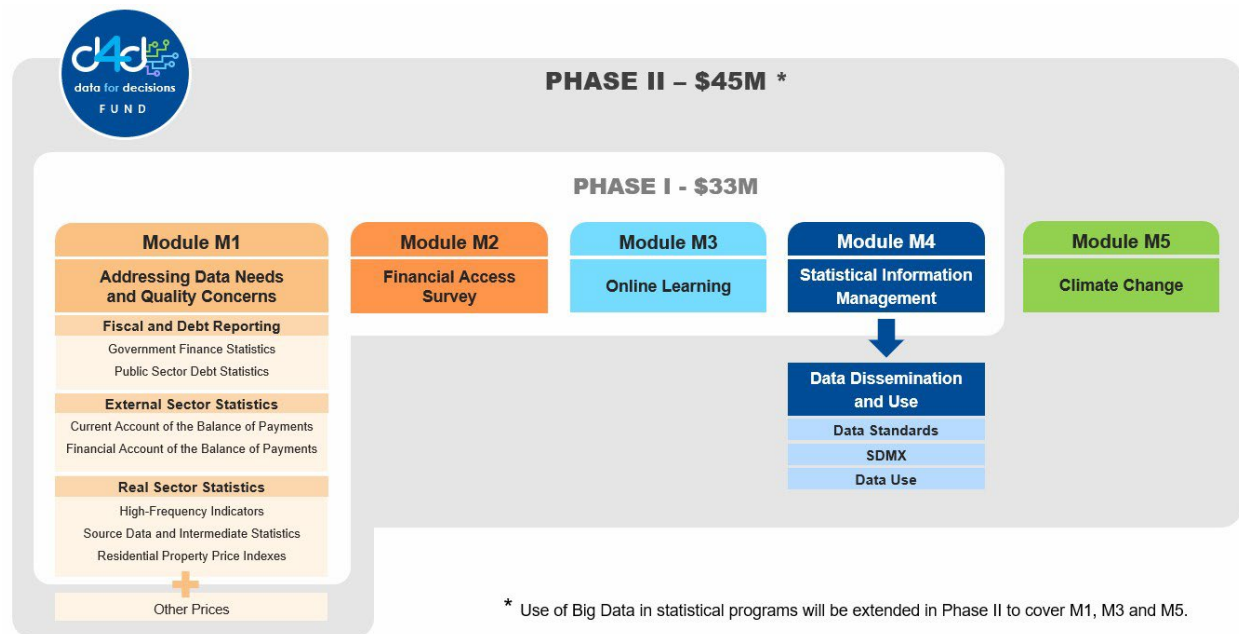
**Phase II of the D4D Fund will retain the modular structure of Phase I, with a stronger integration between the modules.** Under Phase I, CD activities are delivered through four modules:

- Module 1 addresses data needs and quality concerns in fiscal, external as well as real sector (national accounts, HFIs, and RPPI);
- Module 2 sustains and expands the FAS database, both in terms of geographic coverage, data disaggregation and thematic scope;
- Module 3, a 12-course strong curriculum is being developed and made available in three different languages (English, French and Spanish); and
- Module 4 was initially aimed at piloting the provision of advice on statistical information management practices and related technical environments; but has shifted focus towards supporting countries in the adoption and deployment of the SDMX standard.

Under a proposed Phase II:

All workstreams from Phase I will remain, while Module 4 will be enhanced to include data dissemination and use, and a new Module 5 on climate statistics will be added (Figure).

Figure. Structure of the Phase II of the D4D Fund Compared to the Phase I



- Module 1 will remain the largest component of the program, with a similar structure. The current workstream on RPPi may be broadened to other relevant types of price measures<sup>4</sup> that are important for macro-financial and macroeconomic analysis and for strengthening the quality of the national and external accounts. CD tailored to addressing source data gaps is covered in this module.
- Module 2 on FAS will remain broadly unchanged, though the FAS questionnaire will be expanded based on the findings from the upcoming pilot data collection to extend the coverage of fintech and gender-disaggregated data. In addition, Module 2 may include some more targeted technical assistance (TA) in addition to regional training workshops. These activities are expected to be shaped by requests/needs of countries and the recommendations of the FAS Advisory Group established to council on FAS remaining up to date and relevant for users.
- With the upcoming revision of the system of national accounts and balance of payments and international investment position manuals in 2025, the foundational online courses developed in Phase I under Module 3 would need to be aligned to the new standards. This will be complemented with the development of additional courses on more targeted topics (*e.g.*, international trade in goods and services, SDMX and national summary data pages), the production of user-oriented short videos, and the translation of the existing curriculum in additional languages (*e.g.*, Russian, Arabic) for greater worldwide reach, particularly to FCS, and to facilitate blended learning.
- The focus of Module 4 will shift to data dissemination and use. It will comprise three workstreams.
  - The first sub-module will continue the engagement on the IMF Data Standards Initiatives aimed at enhancing data transparency as a global public good in order to reduce risks to global stability. It

<sup>4</sup> Such as Consumer Price Index or CPI, Producer Price Index or PPI, Export-Import Price Index or XMPI, and Commercial Property Price Index or CPPI.

will build on the current Japan-funded project on Global Data Dissemination (to end in June 2025). The sub-module will continue to support countries in their migration to SDMX, which is used as a dissemination tool under the IMF Data Standards Initiatives. This workstream will include SDMX refresher training for e-GDDS participants and support SDDS subscribers in adopting SDMX.

- The second sub-module will continue the Phase I-supported work in assisting countries to implement enhanced processes for SDMX usage. The objective is to foster more timely dissemination of key macroeconomic and financial data, including through automated NSDP updates. This would also facilitate the dissemination of updated country presentations, in line with STA's plans to modernize member countries' NSDPs.
- Additionally, in response to the evaluation, a third-sub-module will focus on data use to strengthen CD impact monitoring. While a user impact analysis may lack relevance for traditional areas of statistics CD where revised or upgraded datasets are obviously used over previous ones (*e.g.*, gross domestic product rebasing or national accounts), it will be important for new statistical products (*e.g.*, RPPI, HFI).
- Building on the existing Switzerland-funded pilot project, a new Module 5 will support countries in compiling and disseminating macro-relevant environmental and climate change statistics, based on needs assessments and priorities expressed by national authorities. An emerging priority, climate change is one of the most critical macroeconomic and financial stability challenges facing the IMF membership. While this workstream will benefit from a separate module with a stand-alone strategic log frame to monitor progress toward the objective, CD activities will be mapped to other workstreams currently under Module 1 (real and external sector, government finance statistics) and Module 4 (data dissemination), as well as with financial sector statistics focusing on climate change and on other climate risk related statistics. The use of Big Data would also be integrated into this module, where applicable.

## COUNTRY ELIGIBILITY

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**It would be desirable to expand the country eligibility beyond the LLMIC group.** A lesson learned from Phase I is that the LLMIC is a moving group, with countries entering and exiting over time. This reflects the vulnerability, especially to external shocks, of some countries, particularly FCS. Besides, statistics CD needs are dire for some non-LLMICs such as FCS or small developing states. It is proposed for Phase II to maintain the possibility to engage with countries initially in the LLMIC group if they leave the grouping during the phase, and to make permanent the expansion of eligible for non-LLMICs that are within a ten percent range from the LLMIC ceiling. It is also proposed to expand D4D-eligibility to non-LLMIC countries on a case-by-case basis, preferably at program level, but at least for Module 4 on data dissemination and Module 5 on environmental and climate change statistics.



## CD MODALITIES

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**With the objective of an ever more efficient, tailored, and impactful CD, Phase II of the D4D Fund will seek to further leverage complementarities among different modules and mix of CD modalities:**

- *Blended learning.* Multi-country training will remain a feature of the D4D Fund and will continue to be used as a diagnostic tool to tailor follow-up TA work plan to better address urgent data needs and quality concerns. However, the availability of multi-lingual online courses material will allow for more blended learning, where asynchronous (self-paced) virtual component will usefully supplement synchronous (in-person or virtual) training, for greater CD efficiency and impact. This CD delivery modality will be particularly valuable to build capacity in countries where staff turnover is high, as new staff will benefit from an accessible knowledge and training toolkit. This will also enable more homogeneity in participants knowledge during the synchronous CD interactions, where less time will have to be spent on reviewing basic concepts and more time can be dedicated to hands-on applications and real datasets.
- *Single country training.* As Phase II will continue to serve FCS and LLMICs, where statistics CD needs are acute, CD absorption capacity is usually lower, and results are on a longer-term horizon, single country training will be considered in some circumstances. The inclusion of training components in TA missions may also help these countries build institutional knowledge and expertise as a basis for improving their statistical programs.
- *Continuous engagement.* Building on the success of the limited engagement introduced during the pandemic, continuous engagement with countries between missions and throughout the project will become a permanent feature. This aligns with a move to a more programmatic approach to CD, and will place IMF staff in a better position to support beneficiary countries remotely in the event some *ad hoc* and targeted support is needed between formal missions. Moreover, the requirement of explicit discussion and agreement with authorities on targeted results before commencing a project will be reinforced. These adaptations will help reinforce a move from a pure CD delivery to a change management approach.
- *Long-term resident advisors.* In some instances where the geographic and permanent presence of an expert will help a group of countries reach expected results in terms of statistical development in a given area—and building on the pilot during Phase I on external sector statistics in Central Africa—stationing long-term resident advisors will be considered in the CD taxonomy for Phase II. This approach will be particularly relevant for regions with a sizeable portion of FCS where a close and sustained CD relationship is necessary to deliver on the expected results.
- *Online learning.* Building on the success of the curriculum developed in Phase I, it is proposed to further develop the curriculum, by not only updating existing courses to reflect updates in statistical standards during Phase II (*e.g.*, for external sector statistics or national accounts), but also to develop additional courses, sometimes shorter and more targeted courses to address very precise concepts to support blended learning (*e.g.*, international trade in goods and services, informal economy) or to focus on policy relevance of specific statistical production to foster data usage and support user impact analysis.

## COORDINATION AND COMPLEMENTARITY

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**TA delivered under the Phase II of the D4D Fund will continue to be fully integrated with the surveillance and lending activities of the IMF.** TA work plans will be designed in close consultation with Area Departments, and TA activities of the D4D Fund will generate inputs for the policy advice provided by IMF country teams during Article IV consultations and for the design of structural benchmarks and reform measures in IMF lending programs in recipient countries. Results from these activities will also inform Country Engagement Strategies in FCS. This mutually beneficial relationship between TA and surveillance/lending will be reflected in the project proposals and reports submitted to the Steering Committee (SC).

**CD delivered under Phase II of the D4D Fund will also continue to complement other IMF CD work.** D4D-funded activities will be designed to complement other IMF CD, which can be delivered either by the IMF's regional capacity development centers (RCDC), or under other TA initiatives. An updated delineation of CD delivered by the D4D Fund and the RCDC will be established, to maximize synergy and complementarity. The same approach will be undertaken with other funding vehicles such as the Financial Sector Stability Fund, or with other functional departments within the IMF (*e.g.*, establish a debt strategy per recipient country, with integrated work plan with the Monetary and Capital Markets and the Fiscal Affairs departments; improve gender data disaggregation for financial inclusion).

**CD delivered under Phase II of the D4D Fund will seek to build on the close coordination with other development partners.** Close program- and project-level coordination will be pursued with the World Bank, within the current IMF-World Bank coordination mechanisms on CD, methodology and data. Within this framework, coordination with the World Bank at strategic and operational levels takes place through periodic meetings. It is complemented by the systematic peer reviewing by STA of new World Bank projects on statistics, as well as active engagement between TA project managers with their World Bank counterparts on individual TA projects to ensure that CD efforts from different agencies are adequately coordinated or sequenced to avoid overlaps and/or inconsistencies. The World Bank also participates in the D4D Fund SC meetings. Coordination of CD activities with other development partners such as the United Nations, regional development banks or bilateral donors will also be ensured whenever relevant.

## GOVERNANCE AND ACCOUNTABILITY

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**Governance arrangements are expected to be broadly the same as those of Phase I.** The D4D Fund will continue to be designed and implemented under the guidance of a SC, composed of contributors to Phase II and the IMF. The World Bank will also be invited to participate in the SC meetings as an observer, and potential partners may be invited to participate in the SC meetings on a non-objection basis from SC members. SC meetings will be held semi-annually in June (hybrid) and January (virtual). IMF staff will serve as the secretariat to the SC.

**The SC will provide strategic guidance and endorse rolling 18-month work plans.** The IMF staff will prepare an annual report on the activities of the D4D Fund for discussion at the June meeting of the SC. The SC will review progress under the approved work plan as well as broader performance under the



program and endorse the new work plan for the following period. The IMF will continue to follow a demand-driven approach to the design of the work plans.

**The objectives of the D4D Fund Phase II will be presented in a strategic log frame to measure and monitor results at module, sub-module and workstream levels.** The log frame will build on the new results-based management (RBM) catalogue developed following the launch of CDMAP, use SMART indicators,<sup>5</sup> and reflect the recommendations from the external evaluation. The log frame for Phase II of the D4D Fund will report results at a strategic level, complementing and aggregating the log frames at the individual project level. IMF staff will update individual project log frames on an annual basis.

**As in Phase I, it is proposed that an independent evaluation be conducted at mid-point in the phase.** External experts will undertake the evaluation. Their findings and recommendations for improvement will inform operations for the remainder of the phase and beyond.

**Visibility of the D4D Fund will continue to be ensured.** The D4D Fund logo will continue to be used in all official material of D4D-funded activities. The [D4D Fund external website](#) will continue to be maintained and enhanced over time. Other opportunities for visibility of D4D-funded activities will include posts on events and results in IMF social media (LinkedIn, X, Facebook, YouTube, etc.), as well as the organization or participation in events during the IMF-World Bank Spring and Annual Meetings.

## BUDGET

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**The cost of Phase II of the D4D Fund is estimated at \$45 million of partner funding.** The increase in the program budget from \$33.1 million in Phase I largely reflects the broadening of the scope of work. First, expanding efforts to new data sources through Big Data; implementation of new statistical standards (BPM7/2025SNA); and fostering data transparency through global data dissemination standards (Module 4), building on progress achieved under the Japan-funded Project on Improving Data Dissemination for Globally Selected Countries which commenced in 2021. Second, the introduction of a Module 5 to support countries in developing policy-relevant climate indicators. This new module will build on the lessons learnt from the existing Switzerland-funded pilot project which targets ten countries. All other modules remain broadly within the same budget envelope range as for Phase I in nominal terms. Table 1 below compares the budget envelopes module by module. The broader country eligibility will not result in higher costs as only a selection of countries will receive TA in each work plan cycle. The budget proposal factors in the widening of blended learning, which will reduce travel-related costs for CD delivery, and a smaller program on online learning compared to Phase I. The budget for Module 1 also incorporates the stationing of one resident advisor for the duration of Phase II. Given the increase in scope and envelope, additional fundraising would be pursued to bring in new contributors to the D4D Fund.

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<sup>5</sup> SMART indicators are specific, measurable, achievable, relevant, and time-bound indicators that are used in monitoring and evaluation. SMART indicators help to ensure that the indicators chosen are well-defined and can be effectively measured to track progress towards specific goals and objectives.

**Table 1. D4D Phase II Budget Proposal, FY25–29  
(compared to Phase I)  
USD Million**

	<b>Phase I</b>	<b>Phase II</b>
Module 1	18-20	20-22
Module 2	4-5	3-4
Module 3	6.5-8.5	5-6.5
Module 4	0.5-1	4.5-5.5
Module 5	-	5-6
Program Management	1.3	1.3
Governance and Evaluation	0.4	0.3
Subtotal	30.8	42.1
Trust Fund Management Fee (7%)	2.3	2.9
<b>Total</b>	<b>33.1</b>	<b>45.0</b>

## **TIMEFRAME**

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Phase II of the D4D Fund will cover five years—the standard duration of a phase in a thematic fund. Depending on the pledges and contributions of partners, Phase II is expected to begin in May 2025 and cover the period May 2025-April 2030.

## Annex: Findings of the External Evaluation<sup>6</sup>

**The overall results of the midterm independent evaluation were positive.** The D4D Fund provides CD that is relevant, effective, coherent, and efficient; but more could be done to ensure that it achieves a longer-term sustainable impact. One of the key recommendations of the evaluation is to move from a CD-delivery-centered approach toward a change management approach, with more emphasis on achieving organizational change. Another important recommendation is to increase focus on use of data for policy decisions, which should be more integrated into CD delivery, its *ex-ante* assessments, and monitoring of results. The assessment confirms the relevance of the IMF’s demand-driven CD approach, and the positive impact IMF CD has on building national statistical systems and in supporting new or improved statistical products in low- and lower middle-income countries.

**The findings of the report and recommendations will inform the design of the Phase II of the D4D Fund.** The evaluation presented seven recommendations, which will be used to improve the program in Phase II. Four recommendations were rated as high and the remaining five as medium or low priorities, with a few proposals for improvement summarized in the table below:

<b>Priority:</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
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<b>Recommendation 1. Take active steps to move from a “CD delivery” to a “change management” approach, so as to increase the likelihood that the short-term effects of CD activities will actually translate into longer-term effects in terms of organizational change and policy improvements (especially for M1 and M3).</b>		
<b>IMF Staff Response</b>	<b>Actions Proposed by Evaluators</b>	<b>Actions Proposed by the IMF</b>
<b>Agree</b>	<p>A. Take active steps to encourage authorities to allocate the required resources to sustained data collection and dissemination and to eventually use the improved data for policy decisions, through increased ownership.</p> <p>A.1. Make it a requirement (or strong recommendation) that country authorities (preferably senior management or senior technical staff) review proposals for CD activities and missions, and include their suggestions into the design of the CD to the extent possible.</p> <p>A.2. To mitigate the negative effects of high workload and staff rotation, ask authorities to confirm explicitly that staff and resources are available, also for implementation (since senior management support and securing available national resources were found to be necessary pre-</p>	<p><b>Planned actions will aim to design and implement CD interventions better tailored to country context and geared to lasting impact.</b></p> <p>(A) (C) With the implementation of CDMAP, IMF CD planning has already shifted from a one-year focus to a three-year roadmap orientation through medium-term work (MTW) plans that are periodically reviewed and updated.</p> <p>To strengthen country ownership of the MTW, IMF staff will discuss roadmap proposals at earlier stages with the authorities. STA will undertake this in conjunction with ADs to strengthen links between roadmap proposals and policy relevance; and to sensitize country authorities to the resource implications.</p>

<sup>6</sup> Based on the “Mid-Term Evaluation of the Data for Decisions (D4D) Fund” report, February 2023.

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IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>conditions for sustainability).</p> <p>B. Take more active steps to ensure that progress with knowledge strengthening is actually translated into improved data production.</p> <p>B.1. Encourage CD recipients to ensure that newly acquired knowledge is (a) shared within the institution; and (b) embedded in improved organizational systems and processes (this will also reduce the risks of staff turnover).</p> <p>B.2. Include more country-specific recommendations and compilation approaches.</p> <p>B.3. Devote more attention to actual data compilation during training activities.</p> <p>C. In coordination with area departments, take active steps to ensure that progress with data production is actually translated into improved data usage for policy decision making.</p> <p>C.1. Prior to missions, or during the first mission, ask authorities to formally agree to dedicate sufficient national resources to CD implementation, and ask them to indicate how they envisage the data to be used for national policy purposes, and by whom.</p> <p>C.2. During missions, devote more attention to discussing how newly compiled or improved data can be (better) used for policy purposes, and include recommendations in training courses and TA reports on how this could be done.</p> <p>C.3. Following missions, ensure that there is regular follow-up with the authorities even after a project has ended (and even if the contract of the expert has expired or the STA staff member is no longer engaged), to discuss whether CD recommendations are being adopted/implemented, what bottlenecks authorities may be facing that prevent outcomes or impact from being reached (including at the policy level), and what could be done to ensure that newly compiled or improved data are being used for policy purposes. Coordinate with area departments who should be responsible for conducting such policy discussions, and ideally conduct them jointly</p>	<p>STA will: (i) proactively discuss resource needs and CD impact with high-level country authorities during IMF Annual and Spring Meetings; and (ii) work with AD teams (including IMF Resident Representatives) to identify—and seek action by country authorities on—underfunding of statistical programs.</p> <p>More specific recommendations on macroeconomic statistics would be included in IMF Article IV reports (based on prioritization), with particular attention to countries that are under an IMF Program.</p> <p>Leveraging new CD modalities, STA will explore the feasibility of more continuous country engagement with country authorities through regular informal check-ins between CD missions to discuss progress in implementing CD recommendations.</p> <p>STA will upgrade its current country management practices (during FY24) by repurposing the role of its regional managers and country coordinators to ensure more regular dialogue with ADs on country data needs, MTW progress, and on data usage for policy decision making.</p> <p>(B) STA will continue to encourage and support documentation of country data compilation processes to mitigate the risks of frequent staff rotation. Use of existing STA resources such as online learning and How-to Notes will also be promoted. STA is also developing a Compilers’ Hub as a knowledge sharing tool to improve data production.</p> <p>New CD delivery modalities will be leveraged to ensure training activities are more oriented to data compilation (including use of country or synthetic datasets where applicable). This will build on STA tools in use (e.g., supply-use table balancing tool for the national accounts). Standard STA training programs already incorporate practical exercises and case studies on data compilation; and these will be further integrated into D4D-funded in-country/regional</p>

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IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	with area department staff. These sessions could, for example, be conducted remotely around two or three times a year.	workshops. The D4D-funded online learning curriculum includes modules on use of data for policy purposes. This will be continued in all new online courses.  (C) STA will examine the feasibility of implementing C3, particularly for new statistical products. While formal documentation on progress occurs with a project close-out in CDMAP and through post-project independent evaluations, IMF staff are able to gauge post-project sustainability primarily through: (i) surveillance or lending missions where data adequacy issues may arise; and (ii) gaps in countries’ reporting to STA databases and/or compliance with IMF data standards.

**Recommendation 2. During intervention planning and design, include an explicit requirement to provide a clear needs assessment for data use, for (i) CD recipients, for M1 and M3; (ii) area departments, for M1 and M3; and (iii) third party data users, for all modules.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
<b>Partially agree</b>	<p>A. For <b>country authorities</b> (mostly for M1 and M3):</p> <p>A.1. Provide an assessment of (a) how the intervention would fill recipients’ data gaps (e.g., where they lag behind international standards); (b) any indications of local interest in using the improved data for macroeconomic analysis and policy decisions; (c) the likelihood that the data would be used by national authorities (and by which agencies, for what purposes).</p> <p>A.2. Involve recipients more actively in jointly designing the terms of reference of missions, including the selection of realistic and relevant project outcomes/milestones (since recipients often were not aware of milestones). E.g., more frequent (online) discussions during the planning stage. This would help not only to assess needs, but also to assess and increase ownership by country authorities.</p> <p>B. For <b>area departments</b> (mostly for M1 and M3):</p>	<p><b>Planned actions will aim at understanding the data needs and drivers for implementation including incentives of all stakeholders and potential obstacles for implementation.</b></p> <p>(A) STA will consult extensively with country authorities at the design phase of each project to clearly assess the data use needs. (See also actions proposed for Recommendation 1). During D4D-funded regional workshops, country-specific engagements cover how potential CD interventions would address data gaps as well as readiness of the authorities to embark on a new project.</p> <p>(B) IMF Country Engagement Strategies will inform CD planning and design on</p>

**Recommendation 2. During intervention planning and design, include an explicit requirement to provide a clear needs assessment for data use, for (i) CD recipients, for M1 and M3; (ii) area departments, for M1 and M3; and (iii) third party data users, for all modules.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>include the IMF country team's assessment of (a) the data gaps addressed by the project; (b) the relevance of these data for specific surveillance or program monitoring purposes; (c) a score that reflects the likelihood that the data will be used by area departments.</p> <p>C. For <b>third party data users</b> (for all modules), assessments could be made in a qualitative way. E.g., for the FAS, consider conducting a survey among third party data users on their data needs and feed the results into subsequent project design.</p>	<p>macroeconomic statistics for Fragile and Conflict-Affected States (FCS). Assessments of data adequacy for surveillance are included in IMF Article IV Reports. Assessments by other IMF Capacity Development Departments (CDDs) also flag data gaps (<i>e.g.</i>, analysis of financial sector risks impaired by lack of data on property prices).</p> <p>(C) To further enhance engagement with data users, a FAS Advisory Group is being formed under M2, consisting of prominent policymakers, reporting countries, stakeholder organizations, and academia. The FAS Advisory Group is expected to provide feedback on various aspects of the FAS development work, which will be used as inputs to improve the quality, coverage, and outreach of the FAS.</p> <p>For standard macroeconomic datasets covered under M1, user heterogeneity and the scope of the D4D-funded CD interventions (primarily data quality upgrades) may pose challenges for full third-party user needs assessments. IMF staff encourage countries to undertake national user consultations for key CD projects such as a GDP rebasing.</p>

**Recommendation 3. During CD planning and design, require a more systematic assessment of ownership and absorption capacity, particularly for M1.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
<p><b>Partially agree</b></p>	<p>CD planning and design should require an explicit assessment of:</p> <ul style="list-style-type: none"> <li>▪ Factors that affect ownership for data-related reforms, in order to ensure that D4D-supported CD projects address areas for which there is in fact political willingness to reform.</li> <li>▪ Absorption capacity, i.e., capacity gaps among recipient organizations.</li> </ul>	<p><b>Planned actions will aim to design and implement interventions that are owned by the authorities at all levels.</b></p> <p>STA will continue to systematically engage with country authorities before designing the project on their views of the most pressing data gaps; and discuss the required resources to achieve the objective of the project. (See also actions proposed for Recommendation 1). Diagnostic missions will include use case analysis where feasible; and address more directly, countries' resource availability and absorptive capacity through engagements with key stakeholders,</p>



**Recommendation 3. During CD planning and design, require a more systematic assessment of ownership and absorption capacity, particularly for M1.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
		<p>including both compiling and source data-providing agencies.</p> <p>Regional workshops on new statistical products (e.g., residential property price index) will communicate to country participants the importance of their agencies conducting user outreach prior to making decisions on D4D-funded CD country engagement.</p>

**Recommendation 4. Improve the impact monitoring and evaluation at the level of data users, e.g., by including user-level indicators in the strategic log frame; encouraging project teams to at least report on them more systematically in progress reports; carrying out more frequent post-mission follow-up monitoring (especially for Module 1); specifying who should be responsible for such monitoring; and allocating a share of the D4D budget to ensure that such monitoring can take place.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
<p><b>Partially agree</b></p>	<p>A. Include user-level indicators in the strategic log frame and/or the next version of the RBM Catalogue. The impact of CD activities on policy change depends on the extent to which data are used, rather than data compilation and dissemination per se. However, despite the name “Data for Decisions”, the RBM Catalogue did not yet (at the time the evaluation started) include (sufficient) outcomes that measure progress at this level. While the use of improved data sometimes follows only years after a project’s completion, our case studies showed that in some cases it can already be observed while the CD is still going on.</p> <p>B. Encourage project teams to at least report on them more systematically in progress reports or annual reports. In particular, more frequent post-mission follow-up should be conducted to collect information on (examples of) the use of newly compiled or improved data. Rather than making this a formal exercise, it would be useful if progress or annual reports would include qualitative, country-specific proxies or examples of successful use of the improved data for policy analysis and decisions. Ideally, this type of information would be collected at three levels:</p> <p>- IMF area departments (examples of data use for Article IV reports, DSAs, REOs, WEO, etc.);</p>	<p><b>Planned actions will strengthen monitoring of, and communication on, CD outcomes at the data user level.</b></p> <p>(A) (B) STA will explore the feasibility of including in D4D Fund progress reports, qualitative information on the use of improved data for policy analysis and decisions, drawing on readily available information in government policy publications. Outreach to national policymakers and to IMF mission chiefs will be undertaken, and examples of successful use of data will be included in D4D Fund Annual Reports.</p> <p>STA will continue to monitor internal usage of the FAS data including in Staff Reports, Policy Notes, Article IVs, and other documents under M2. In addition, STA's Data Product Evaluation aims to monitor the usage of IMF's statistical products (with some caveats related to data dissemination in third-party websites). STA's Data Product Evaluation will continue to estimate FAS user statistics, as well as references of FAS data and definitions in IMF internal documents using data mining.</p>

**Recommendation 4. Improve the impact monitoring and evaluation at the level of data users**, e.g., by including user-level indicators in the strategic log frame; encouraging project teams to at least report on them more systematically in progress reports; carrying out more frequent post-mission follow-up monitoring (especially for Module 1); specifying who should be responsible for such monitoring; and allocating a share of the D4D budget to ensure that such monitoring can take place.

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>- National authorities (examples of data use by relevant government or central bank agencies in their reports/publications and on their websites);            - Relevant third parties (examples of data use by rating agencies, investment banks, researchers, development partners, NGOs, etc.).</p> <p>C. Clarify who should be responsible for the follow-up monitoring. When contracts of experts end, relationships with authorities sometimes fade. To prevent this from happening, especially for Module 1, consider handing over the follow-up monitoring to the STA economist, STA project manager, Resident Representative offices (if present in the country) or the IMF country team in case they are important data users. When Res Reps or country economists are involved in the analysis of country data anyway, it may not be a major burden for them to assess the extent to which the national authorities use the new data.</p> <p>D. The evaluation team acknowledges that this recommendation can prove to be quite costly. To ensure that the aforementioned follow-up monitoring can take place, allocate a certain share of the D4D Fund budget to the monitoring of user-level outcomes by either short-term experts or STA staff. This monitoring could in some cases also be conducted via ex-post surveys (especially for training courses).</p>	<p>(C) Under CDMAP processes, active project monitoring (during the project life cycle) is the responsibility of the STA project manager. IMF contract arrangements with short-term experts limit their role on country engagement to mission duration. IMF will assess feasibility of integrating post-project follow-up into existing processes. Reversal of project gains (decline in data quality for example) are typically identified by IMF staff in the context of surveillance or lending operations or through gaps in data reporting to STA; and by national authorities as a basis for CD requests.</p> <p>(D) STA will propose to the D4D Fund Steering Committee a share of the Phase II budget for implementing systematic monitoring, including post-project surveys. The proposal will be articulated in the Program document for endorsement.</p>

**Recommendation 5. Enhance coordination and strengthen synergies with other development partners** (e.g., the World Bank, UN Statistics Division, or via PARIS21).

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
Fully agree	A. Include a systematic overview in the D4D Fund’s annual reports of the CD activities of other relevant DPs in the area of macroeconomic statistics, potentially based on information obtained through PARIS21.	<p><b>Planned actions will further strengthen—and report—on synergies with other developments partners; and operationalize IMF guidelines on the dissemination of CD outputs.</b></p> <p>(A) In the future, STA would leverage the more granular information accessible in the recently launched <a href="#">Clearinghouse for Financing</a></p>

**Recommendation 5. Enhance coordination and strengthen synergies with other development partners (e.g., the World Bank, UN Statistics Division, or via PARIS21).**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>B. Consider disseminating the D4D Fund’s TA reports more widely:</p> <p>B.1. Taking into account the new operational guidelines, consider ways to share TA reports more actively with other DPs offering CD in macroeconomic statistics, and consider publishing summaries of TA reports on the IMF website.</p> <p>B.2. Communicate more clearly in project proposals, TA reports and annual reports how D4D Fund-supported CD is complementary to what others are doing, and which improved data are expected to become available.</p> <p>C. Continue the recent progress made with enhancing coordination with the World Bank:</p> <p>C.1. Institutionalize agreements to obtain information regularly and systematically from the World Bank on relevant statistics-related CD projects that have passed the design phase.</p> <p>C.2. Going forward, increase coordination on potential complementary projects also at the design stage (e.g., invite each other to also share proposals for projects at the design stage).</p> <p>C.3. Improve the mapping of projects, e.g., by aligning field codes of projects with those from the WB, so that it becomes easier to systematically identify potential overlaps and complementarities.</p> <p>D. Strengthen external coordination at the project level. For example:</p> <p>D.1. Renew efforts to involve UN Statistics Division staff in online M3 courses such as NASx.</p> <p>D.2. Enhance monitoring of potential overlaps and</p>	<p><a href="#">Development Data</a> to enhance existing coordination mechanisms.</p> <p>Beginning in 2024, D4D Fund Annual Reports will feature more systematic reporting on how D4D Fund-supported CD is complementary to those of other development partners.</p> <p>(B) STA will advance work on sharing of CD outputs in line with the IMF Staff Operational Guidance on the Dissemination of Capacity Development Information issued in 2022. Steps will be taken to disseminate high-level summaries (HLS) and increase the number of technical assistance reports (TARs) on the IMF website. Progress to be reported in D4D Fund Annual Reports. In addition to the D4D Fund donor group having access to TARs, they may be shared with other DPs on request and subject to the CD-recipient country’s agreement.</p> <p>(C) STA has established mechanisms with the World Bank for coordination on activities of mutual interest and will further strengthen the collaboration (e.g., public sector debt statistics, national accounts, prices, climate). Since 2022, the World Bank has been engaging STA at the design phase of their statistics CD projects. This upstream coordination allows a clear understanding of the projects scope, coverage and timelines, and facilitates coordination in the field with appropriate phasing of TA to maximize cross-fertilization.</p> <p>(D) Avenues for coordination with other DPs involved in statistical development will be pursued for each new project/activity under the D4D Fund (including tapping the expertise of other international organizations for remaining online courses to be produced).</p>

**Recommendation 5. Enhance coordination and strengthen synergies with other development partners (e.g., the World Bank, UN Statistics Division, or via PARIS21).**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>complementarities with the World Bank between the FAS (M2) and the World Bank Global Findex databases and discuss possible measures to increase their complementarities.</p>	<p>Under M2, coordination with the World Bank's Findex has helped enhance financial inclusion data collection. The FAS and Findex are discussing complementarities between these databases, particularly in the context of the FAS pilot data collection and Data Gaps Initiative 3 Recommendation 12: Fintech-enabled financial inclusion. The FAS is also harnessing complementarities with other databases such as the FSB's Fintech Credit survey, World Bank's Global Payment System Survey, OECD's financial literacy surveys, etc. The coordination will continue.</p>

**Recommendation 6. Further tailor the RBM framework to the D4D Fund.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
<p><b>Partially agree</b></p>	<p>A. Discuss with ICD how the RBM framework to be used by the D4D Fund can potentially be better adapted to, or merged with, the D4D Fund Strategic Log Frame, since it is sometimes confusing and burdensome (inefficient) for PMs to have to work with two sets of objectives and outcomes.</p> <p>B. Given that the RBM framework was seen by D4D project managers as too generic to be useful as a project management tool, consider further expanding the already improved granularity of the new RBM Catalogue. In particular:</p> <p>B.1. Include more outcomes and indicators that better fit the country context (while still being general enough to be part of the Catalogue);</p> <p>B.2. Include outcomes and outcome indicators that can be used (for relevant projects) as proxies for data use;</p> <p>B.3. Since the linkages between milestones and outcomes are sometimes not clear or lacking, consider requiring a more direct link between project or country-specific milestones and (general) outcomes, especially for Module 1.</p> <p>C. To account for the fact that progress with country-specific outcomes is often subject to exogenous country circumstances that are beyond</p>	<p><b>STA has updated its RBM catalogue; and will undertake further updates based on business needs.</b></p> <p>(A) To be undertaken in designing the strategic log frame for Phase II of the D4D Fund—in close consultation with ICD.</p> <p>(B) To better fit country context, STA has already expanded the number of objectives available in the RBM Catalog (e.g., real sector statistics has 4 for national accounts instead of 1 in the old catalog). Expansion will continue (e.g., for climate statistics CD delivery).</p> <p>(C) Global or regional targets will build on country-specific outcomes in the design of the strategic log frame of the Phase II of the D4D</p>

Recommendation 6. Further tailor the RBM framework to the D4D Fund.		
IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>the control of the D4D Fund, combine the use of country-specific outcomes and milestones with global or regional targets (e.g., the target that a certain share of countries should have outcome ratings of 3 or 4 for a certain outcome or objective), and report both country targets and global targets in annual progress reports.</p> <p>D. Ensure that STA project managers of D4D-supported projects rate outcomes and milestones in the new CD-MAP system on a timely basis and provide more guidance to ensure that they interpret RBM ratings correctly and consistently.</p>	<p>Fund.</p> <p>(D) Inputs for monitoring and reporting of the strategic log frame of the D4D Fund will be directly drawn from CDMAP, ensuring ratings of outcomes and milestones are properly and timely recorded in CDMAP. Annual project assessments are a part of the CDMAP deliverables, and STA has implemented an RBM data completeness monitor to improve the quality of these assessments.</p>

Recommendation 7. Continue developing and institutionalizing the blended (online and in-person) CD delivery model.		
IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
<p><b>Fully agree</b></p>	<p>Leveraging the COVID experience with remote CD delivery, there are opportunities for further enhancing the synergies between remote CD (including online courses) and in-person CD, while continuing to treat remote and in-person CD as complements rather than substitutes:</p> <p><b>Prior to missions</b>, use remote tools more systematically to conduct pre-CD assessments (assessment of the need for M3 online courses or an online component of the CD project). Based on this assessment, offer online training prior to CD missions (e.g., one month in advance) in order to improve the absorption capacity and level the playing field for participants (and increase the effectiveness of in-person CD).</p> <ul style="list-style-type: none"> <li>▪ Consider making M3 course certification by senior technical staff a requirement for receiving follow-up TA from M1 (or for other TA in the same area offered by STA or other IMF trust funds).</li> <li>▪ This would increase both (a) the relevance of online training, and (b) the effectiveness of in-person CD, since M3 has the potential to improve</li> </ul>	<p><b>Planned actions will fully mainstream blended CD delivery.</b></p> <p>Blended learning is now an established CD delivery modality and STA will continue to roll out the blended learning courses piloted during FY23 to all workstreams, countries and regions.</p> <p>Integration of Modules 1 and 3 of the D4D Fund through blended learning has already started. One example (HFIEA/QNA) is cited in this year's (2023) D4D Fund Annual Report.</p> <p>STA will request authorities to encourage their staff to register for the available online courses. In some instances, STA will make completion of online (foundational) courses a precondition for attendance to its in-person workshops and trainings.</p> <p>STA will expand the blended modality to scheduled TA activities that have an embedded training component, leveraging the online learning curriculum developed under M3 (either taking the course in its entirety or using selected videos from the course).</p>

**Recommendation 7. Continue developing and institutionalizing the blended (online and in-person) CD delivery model.**

IMF Staff Response	Actions Proposed by Evaluators	Actions Proposed by the IMF
	<p>the absorption capacity of in-person CD (funded by M1 or other sources).</p> <p><b>During missions</b>, encourage IMF staff and experts to more actively recommend participants to sign up for online courses if technical capacity gaps are identified.</p> <p><b>Following missions</b>, use remote tools more systematically to follow up and keep the momentum going (e.g., via regular meetings recommended in Recommendation 1).</p> <p>Lockdown periods notwithstanding, remote CD should remain a complement rather than a substitute for in-person CD (also given the IT capacity constraints in fragile and low-income countries, the lack of focus when recipients can easily be called away, the more limited opportunities for hands-on support, dialogue, etc.).</p>	<p>STA will continue to leverage the benefits of hybrid CD delivery to widen audience reach and tap the expertise of other international/regional organizations to sharpen the focus on use of data in its training programs (e.g., World Bank to discuss use of Quarterly External Debt Statistics during STA training on external debt statistics).</p>