

**Eastern Caribbean Central Bank: Report on Observance of Standards and Codes—
Data Module, Response by the Authorities, and Detailed Assessment Using the
Data Quality Assessment Framework (DQAF)**

This Report on the Monetary Statistics Component of the Regional Data Module Report on Observance of Standards and Codes for the Eastern Caribbean Central Bank (ECCB) was prepared by a staff team of the International Monetary Fund as background documentation for periodic consultations with member countries. It is based on the information available at the time it was completed on August 9, 2007. The views expressed in this document are those of the staff team and do not necessarily reflect the views of the ECCB or the Executive Board of the IMF.

The Response by the Authorities to this report, and the Detailed Assessments Using the Data Quality Assessment Framework (DQAF) are also included.

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EASTERN CARIBBEAN CENTRAL BANK

**Monetary Statistics Component of the Regional Data Module
Report on the Observance of Standards and Codes (ROSC)**

Prepared by the Statistics Department

Approved by Robert W. Edwards and Anoop Singh

August 9, 2007

The Monetary Statistics Component of the Regional Data Module of the Report on the Observance of Standards and Codes (ROSC) data provides an assessment of the Eastern Caribbean Central Bank's monetary statistics against the recommendations of the General Data Dissemination System (GDDS) complemented by an assessment of data quality based on the IMF's Data Quality Assessment Framework (DQAF July 2003). The DQAF lays out internationally accepted practices in statistics, ranging from good governance in data producing agencies to practices specific to datasets.

This report is based on information provided prior to and during a staff mission during April 10–20, 2007 and publicly available information. The mission was undertaken by Jaroslav Kučera, senior economist, and Norio Hida, economist, both from STA.

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ABBREVIATIONS

DSBB	Dissemination Standards Bulletin Board
DQAF	Data Quality Assessment Framework
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
GDDS	General Data Dissemination System
IMF	International Monetary Fund
<i>MFSM</i>	<i>Monetary and Financial Statistics Manual</i>
ODCs	Other Depository Corporations
ROSC	Report on the Observance of Standards and Codes
SD	Statistics Department of the Eastern Caribbean Central Bank

I. INTRODUCTION

1. The Eastern Caribbean Central Bank (ECCB) has been taking a leading role in the Eastern Caribbean Currency Union (ECCU) area for establishing sound statistical practices. The ECCB has implemented several initiatives to strengthen its statistical capacity, including the establishment of the Statistics Department (SD) in December 2005 as a single unit responsible for the collection, compilation, and dissemination of statistics in four major areas: national accounts, monetary and financial, fiscal, and balance of payments statistics. The ECCB compiles the monetary statistics not only for the ECCU area, but also for individual member countries of the ECCU. Therefore, this report provides an assessment of the monetary statistics compiled for the ECCU area and individual member countries as well.
2. Although the ECCB is not a participant of the General Data Dissemination System (GDDS), six member countries of the ECCU participate in the GDDS.¹ Therefore, the assessment of the quality of monetary statistics data dissemination practices was conducted against the GDDS.
3. This report is based on the information provided prior to and during the mission that visited Basseterre during April 10–20, 2007, and does not reflect any changes in the data compilation and dissemination practices that might have taken place after the end of April 2007. The mission expresses its appreciation for the excellent cooperation received from the authorities and staff of the ECCB.
4. While noting some recent improvements, the mission that prepared this monetary statistics component of the Regional Data Module of Report on Observance of Standards and Codes (ROSC) identified some shortcomings in the ECCB's monetary statistics, which have a potential for detracting from the accurate and timely analysis of monetary and financial developments and formulation of appropriate policies. In particular, (i) the methodological soundness of monetary statistics can be improved by adopting internationally accepted concepts and definitions, expanding their institutional coverage, and revising the classifications of financial instruments and the basis for recording; (ii) the transparency of monetary statistics can be improved, for example, by releasing monetary data to all users at the same time and strengthening the validation of the disseminated data; (iii) the timeliness of the dissemination of the data on broad money and credit aggregates can be improved to meet best international practices; and (iv) the access to officially disseminated monetary data and metadata can be improved.
5. The remainder of this section presents the mission's main conclusions. The presentation is at the level of the Data Quality Assessment Framework's (DQAF) quality dimensions.
6. With respect to the **prerequisites of quality and assurances of integrity**, the legislation broadly supports mandatory data reporting and the confidentiality of the reported

¹ Two other ECCU member countries, Anguilla and Montserrat, do not participate in the GDDS, because they are not independent states.

data. However, the ECCB's responsibility for compiling and disseminating monetary statistics to the public is not clearly specified in the law. Regarding resources, the number of staff allocated to the compilation of monetary statistics is inadequate. The ECCB maintains some informal contact with data users, but does not formally monitor the users' views on the relevance of monetary statistics and does not seek to identify emerging data requirements from external data users. The ECCB management is aware that continued efforts are needed to improve the quality of the monetary statistics and that more systematic data-quality verification procedures need to be established. Although no formal provisions are in place regarding the professional independence of the ECCB's production of statistics, by tradition and by virtue of its authority, the ECCB's independence in the data processing is respected by the governments of the member countries. The ECCB staff exercise independence in their choice of data sources, compilation methods, and data dissemination policies, within the limits of available resources. Processes and activities in the workplace promote a culture of professionalism. The ECCB is authorized to comment on the monetary statistics and correct erroneous interpretations or misuses of data by users or the media, but terms and conditions under which monetary statistics are collected, compiled, and disseminated are not provided to the public. Data are released to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries before dissemination to the general public. This practice is not publicized by the ECCB. The ECCB regulations, which are well known to the staff, clearly specify the rights and responsibilities of ECCB staff, including rules of conduct and disciplinary sanctions.

7. Regarding the **methodological soundness** of monetary statistics, there is room for improving concepts and definitions by disseminating data on gross domestic credit. The institutional coverage of the other depository corporations is incomplete, given that data for mortgage companies, finance companies, building societies, and credit unions—all of which accept deposits—are excluded. Sectoral and instrument classification of the monetary statistics are not in full compliance with the methodology of the *Monetary and Financial Statistics Manual (MFSM)*. Basis for recording is in general compliance with the *MFSM* recommendations, but accrued interest is not incorporated in the value of the interest-bearing assets and liabilities and valuation adjustments are included in other liabilities.

8. **Accuracy and reliability** elements are, in general, appropriately treated in the monetary statistics. Source data on the ECCB accounts with adequate disaggregation are available to compilers of monetary statistics. However, source data for the commercial banks do not provide the disaggregation recommended in the *MFSM*. Validation of source data, statistical techniques, and procedures for validating intermediate and final data are adequate.

9. **Serviceability** of the monetary statistics needs to be improved. The periodicity of monetary statistics is appropriate, and timeliness is satisfactory for data for the ECCB and individual ECCU member countries. However, the timeliness of the dissemination of the data on broad money and credit aggregates for the ECCU does not accord with GDDS recommendations. Monetary statistics are reconcilable over the periods for which they are disseminated; however, some inconsistencies exist in the accounts of commercial banks vis-à-vis the central bank and the commercial banks' interbank positions. The consistency between the monetary statistics and other macroeconomic statistics is assured by using

monetary data as an input for other statistical systems. The revisions policy and practices need to be documented and disseminated to the public. Studies and analyses of data revisions also are not disseminated to the public.

10. There are opportunities to improve the **accessibility** of monetary statistics, for example, by adopting an advance release calendar and improving the presentation of the data in the publications and on the ECCB website. Metadata on monetary statistics are very limited. Unpublished nonconfidential data are made available upon request, and assistance to users is appropriate. Contact points are publicized, and a list of the ECCB's publications is available on the ECCB website.

II. ASSESSMENT BY DIMENSION OF DATA QUALITY

11. Assessment of the quality of monetary statistics was conducted using the DQAF of July 2003. In this section, the results are presented at the level of the DQAF elements and using a four point rating scale (Table 1). Assessments of the prerequisites of data quality and the assurances of integrity (Dimensions "0" and "1" of the DQAF) are presented in Table 2. The assessments of methodological soundness, accuracy and reliability, serviceability, and accessibility (Dimensions "2" to "5" of the DQAF) are shown in Table 3.

12. To complement the IMF's assessment of the quality of official monetary statistics produced by the ECCB, the mission conducted an informal survey of users of the monetary statistics. Questionnaires were sent to various users who were asked to evaluate the coverage, periodicity, timelines, dissemination practices, accessibility, and overall quality of the official monetary statistics. Twenty-one of 51 targeted users submitted responses.

13. On a five point scale (1 = poor and 5 = excellent), the average rating for overall quality of monetary statistics was 3.3. A majority of respondents felt that they can easily access the official monetary statistics and that the monetary statistics compiled by the ECCB are unbiased and accurate. While some respondents indicated that they were generally satisfied with the level of coverage and the periodicity, other respondents noted that the scope of the monetary statistics should be expanded to include credit unions and insurance companies. Respondents also felt that the timeliness needed to be improved and that the advance release calendar should be disseminated to the public.

14. A more detailed analysis of the User's Survey and the tabulated results are included in the Appendix of the accompanying document *Detailed Assessment Using the Data Quality Assessment Framework (DQAF)* of monetary statistics.

Table 1. Eastern Caribbean Central Bank: Data Quality Assessment Framework (July 2003): Summary of Results for Monetary Statistics
(*Compiling Agency: Eastern Caribbean Central Bank*)

Element	Assessment	Comments
0. Prerequisites of quality		
0.1 Legal and institutional environment	LO	The ECCB's responsibility for compiling and disseminating monetary statistics to the public is not clearly specified.
0.2 Resources	LO	The number of staff is currently inadequate for the compilation of monetary statistics.
0.3 Relevance	LO	Structured and periodic procedure of consultations with external data users is not in place.
0.4 Other quality management	LO	Quality monitoring and data review need to be strengthened prior to the dissemination of final statistical aggregates.
1. Assurances of integrity		
1.1 Professionalism	O	
1.2 Transparency	LO	The terms and conditions under which monetary statistics are collected, compiled, and disseminated are not provided to the public. Data are released simultaneously to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries, before the monetary statistics are provided to the general public. This practice is not publicized by the ECCB.
1.3 Ethical standards	O	
2. Methodological soundness		
2.1 Concepts and definitions	LO	Credit to domestic sectors other than the central government and private sector are presented on net basis in the dissemination of the monetary survey.
2.2 Scope	LO	Institutional coverage of the ODCs is incomplete. Deposits accepted by financial institutions other than commercial banks account for more than 7 percent of total deposits accepted by the commercial banks.
2.3 Classification/sectorization	LO	Sectoral and instrument classifications of monetary statistics are not in full compliance with the methodology of the <i>MFSM</i> .
2.4 Basis for recording	LO	Accrued interest is not incorporated in the value of the interest-bearing assets and liabilities. Valuation adjustments are included in the other liabilities.
3. Accuracy and reliability		
3.1 Source data	LO	Source data for the accounts of commercial banks do not provide sufficient disaggregation needed for the compilation of monetary statistics recommended by the <i>MFSM</i> .
3.2 Assessment of source data	O	
3.3 Statistical techniques	O	

Table 1. Eastern Caribbean Central Bank: Data Quality Assessment Framework (July 2003): Summary of Results for Monetary Statistics
(*Compiling Agency: Eastern Caribbean Central Bank*)

Key to symbols: NA = Not Applicable; O = Practice Observed; LO = Practice Largely Observed; LNO = Practice Largely Not Observed; NO = Practice Not Observed		
Element	Assessment	Comments
3.4 Assessment and validation of intermediate data and statistical outputs	O	
3.5 Revision studies	O	
4. Serviceability		
4.1 Periodicity and timeliness	LO	Timeliness of the dissemination of the data on broad money and credit aggregates for the ECCU does not accord with the GDDS recommendations.
4.2 Consistency	LO	There are some inconsistencies in the accounts of commercial banks vis-à-vis the central bank and the commercial banks' interbank positions.
4.3 Revision policy and practice	LNO	Users are not informed about the revised nature of the data. Studies and analyses of data revisions are not provided to the public.
5. Accessibility		
5.1 Data accessibility	LO	The ECCB does not disseminate data based on a preannounced schedule with specific dates.
5.2 Metadata accessibility	LO	Detailed explanation of the monetary statistics methodology, data coverage, and data sources is not available to users.
5.3 Assistance to users	O	

Table 2. Eastern Caribbean Central Bank: Assessment of Data Quality—Dimensions 0 and 1

<p>0. Prerequisites of quality</p> <p>Legal and institutional environment Although the ECCB Act adequately addresses the issue of the ECCB’s authority to collect data from financial institutions licensed for providing banking operations, the ECCB’s responsibility for compiling and disseminating monetary statistics to the public is not clearly specified. Within the ECCB, the responsibility for compiling monetary statistics rests with the Statistics Department (SD). Specific responsibilities of this department with regard to collecting, processing, and disseminating statistics are governed by internal instructions of the ECCB. The arrangements for data sharing and coordination with other ECCB departments are in place to ensure the smooth flow of information. The confidentiality of individual respondents’ data is adequately protected. Measures are in place to encourage reporting by financial institutions licensed by the ECCB to provide banking operations.</p> <p>Resources Staff resources for compiling monetary statistics are currently inadequate; the SD has just lost one of its qualified staff responsible for the compilation of commercial banks’ data. Further formal and on-the-job training are needed. Computing resources and physical facilities are adequate. Measures to ensure efficient use of resources are implemented.</p> <p>Relevance There is no formally established process for regular consultation with ministries, or representatives from the private sector or academia. Internal data users such as economists and bank examiners of the ECCB are consulted on their specific needs for data.</p> <p>Other quality management Quality of the compilation process is checked; however, quality monitoring and data verification procedures need to be strengthened prior to the dissemination of final statistical aggregates.</p>	<p>1. Assurances of integrity</p> <p>Professionalism The statutory provisions under which the ECCB compiles monetary statistics are adequate to support its independence in conducting these functions. Independence of data processing is respected by the governments of the member countries of the ECCU. Professional competency plays a key role in the recruitment and promotion policy in the SD of the ECCB. A culture of professionalism is promoted by internal guidelines. The choice of sources of data and statistical methods is determined solely by statistical considerations.</p> <p>Transparency The terms and conditions under which monetary statistics are collected, compiled, and disseminated are set up in an internal document. However, these terms and conditions are not publicly available. The monetary statistics are released simultaneously to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries, before dissemination of data to the general public. This practice is not publicized by the ECCB. The ECCB’s statistical publications are clearly identified as products of the ECCB with its name and logo. There have not been major changes in the methodology or source data of monetary statistics. Therefore, there has not been a need for an advance notice of these changes during recent years.</p> <p>Ethical standards The ECCB Act provides broad ethical guidelines in particular with respect to the data confidentiality for employees of the ECCB. In addition, staff members of the ECCB are bound by the internal guidelines that identify correct behavior when the ECCB staff is confronted with a potential conflict of interest situation. The ECCB employees are provided with these internal guidelines. Awareness of these guidelines is promoted to staff of the ECCB during internal office meetings.</p>
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Table 3. Eastern Caribbean Central Bank: Assessment of Data Quality—Dimensions 2 to 5—Monetary Statistics

2. Methodological soundness	3. Accuracy and reliability	4. Serviceability	5. Accessibility
<p>Concepts and definitions are broadly consistent with the <i>MFSM</i>. However, credit to domestic sectors other than the central government and private sector (such as public nonfinancial corporations, nonbank financial institutions, and subsidiaries and affiliates) is presented on net basis in the dissemination of the monetary survey.</p> <p>Scope for the compilation of monetary statistics comprises the ECCB and 39 commercial banks operating in the ECCU area. Institutional coverage of the depository corporations is incomplete, given that deposits accepted by financial institutions other than commercial banks account for more than 7 percent of total deposits accepted by commercial banks.</p> <p>Classification/sectorization Sectoral and instrument classifications of the disseminated monetary statistics is not in full compliance with the <i>MFSM</i> methodology, in particular with respect to the analytical accounts of the commercial banks.</p> <p>Basis for recording Valuation principles applied by the ECCB and commercial banks are in general consistent with the <i>MFSM</i> guidelines; however, accrued interest is not incorporated in the value of the interest-bearing assets and liabilities and valuation adjustments are included in other liabilities.</p>	<p>Source data for the ECCB and commercial banks derived from accounting records are timely. However, source data for the accounts of commercial banks do not provide sufficient disaggregation needed for the compilation of monetary statistics recommended by the <i>MFSM</i>.</p> <p>Assessment of source data Source data are checked for internal consistency and, when needed, out-of-trend values are verified through direct contact with reporting banks.</p> <p>Statistical techniques used to compile the monetary statistics are to a great extent automated and minimize processing time and errors (e.g., coding, editing, and tabulating errors). Seasonally adjusted monetary aggregates are not calculated.</p> <p>Assessment and validation of intermediate data and statistical outputs are computerized and consistency checks are used. Most queries concerning the data used for the compilation of monetary statistics are resolved by the SD directly with the banks.</p> <p>Revision studies are conducted to improve the data compilation procedures.</p>	<p>Periodicity follows fully the relevant GDDS recommendation. However, timeliness is consistent with the GDDS recommendation only for the accounts of the ECCB and individual ECCU member countries. Timeliness of the disseminated data on broad money and credit aggregates for the ECCU does not accord with GDDS recommendations; the data are released to the public four to five months after the reference month.</p> <p>Consistency within the data set is monitored through a system of computerized checks. Monetary data are reconcilable over the periods for which they are disseminated. However, some inconsistencies exist in the accounts of commercial banks vis-à-vis the central bank and the interbank commercial banks' positions. Monetary data are directly used as inputs for the compilation of government finance, balance of payments, and national accounts statistics, and therefore, the consistency between the monetary statistics and other statistical systems is assured.</p> <p>Revision policy and practice Users are not informed about the revised nature of data. Studies and analyses of data revisions are not provided to the public.</p>	<p>Data accessibility The dissemination media and format are adequate. However, the presentation of monetary statistics does not fully facilitate the complete interpretation of the data by users. The ECCB does not disseminate data based on a preannounced schedule with specific dates.</p> <p>Metadata accessibility The ECCB links its website to the IMF Dissemination Standards Bulletin Board (DSBB) where information is posted on the data coverage, periodicity, timeliness, integrity, and quality for the six member countries of the ECCU participating in the GDDS. The metadata posted in the DSBB have not been updated since August 2003. Detailed explanation of the monetary statistics methodology, data coverage, and data sources is not available to users.</p> <p>Assistance to users Contact points are publicized. The list of the ECCB's publications is available on its website, along with the PDF copies of these documents..</p>

III. RECOMMENDATIONS

15. Based on the review of the ECCB's statistical practices, the mission has a set of recommendations. They are designed to increase further the ECCB's adherence to internationally accepted statistical practices and would, in the mission's view, enhance the analytical usefulness of ECCB's monetary statistics.

Short term:

- With respect to desirable improvements in current procedures and future developmental work in the area of monetary statistics, allocate about three new staff to the Monetary and Financial Unit of the SD to be responsible for the collection, verification, compilation, and dissemination of monetary statistics.
- Implement the outstanding recommendations of the recent IMF technical assistance mission on compiling monetary data in accordance with *MFSM* and on the introduction of new call report forms for collecting data from commercial banks.
- Expand the institutional coverage of the other depository corporations to include finance companies, mortgage companies, building societies, and credit unions that also accept deposits. In this regard, expedite the coordination with national single regulatory units for data sharing.
- Disseminate the monetary statistics for the ECCU area and for all its individual countries in a form of surveys, as recommended by the *MFSM*, which would facilitate the complete interpretation of the monetary data by users.
- Disseminate the monetary data to all users simultaneously.
- Establish a structured and periodic process of consultations with external data users.
- Improve the verification procedures of the disseminated data to ensure the consistency of the data among corresponding accounts of the ECCB and commercial banks.
- Post on the ECCB website a schedule for the dissemination of monetary statistics with specific dates.
- Develop the detailed description of methodology used for the compilation of monetary statistics and provide this description to all users of monetary data.

Medium term:

- Establish a policy for a periodic revision cycle and dissemination of explanation for the revisions to the general public.
- Seek the possibility to define in the Eastern Caribbean Central Bank Agreement Act the responsibilities of the ECCB for compiling and disseminating the statistics, including the monetary statistics.

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**Monetary Statistics Component of the Regional Data Module
Report on the Observance of Standards and Codes (ROSC)**

Response by the Authorities

August 9, 2007

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**REPORT ON THE OBSERVANCE OF STANDARDS AND CODES (ROSC)
MONETARY STATISTICS COMPONENT OF THE REGIONAL DATA
MODULE**

RESPONSE OF THE AUTHORITIES



AUGUST 8, 2007

EASTERN CARIBBEAN CENTRAL BANK
ST KITTS

I. INTRODUCTION

1. The ECCB welcomes the opportunity to provide comments on the Report on the Observance of Standards and Codes (ROSC) Monetary Statistics Component of the Regional Data Module as prepared by the IMF. We concur with the findings of the mission and view them as important tools for improving the monetary statistics. The recommendations made by the mission to further improve the compilation practices will be taken into consideration for implementation. Based on the mission's recommendations, we have prepared an Action Plan to provide guidance to our development work on the compilation and dissemination of monetary statistics.
2. Based on the Action Plan, we anticipate that technical assistance will be required in 2008 when the new reporting system for commercial banks would be implemented and there would be a consistent data series for the mortgage and finance companies. The technical assistance would be required to:
 - Verify the compilation of MFSM compliant monetary statistics from the new source data;
 - Assist in the preparation of a survey for the mortgage and finance companies, and in the preparation of a combined survey for the commercial banks and mortgage and finance companies; and
 - Assist in the classification and compilation of data from the other non-bank financial institutions.
3. We have agreed to publish the ROSC report along with the detailed assessment and the Response of the Authorities on the IMF website.

II. ECCB: ACTION PLAN TO IMPROVE THE MONETARY STATISTICS

Issues	Recommendation from mission	ECCB Plans for Improvement	
0. Prerequisites of quality		Short to Medium Term	Long Term
<p>Legal and institutional environment The ECCB's responsibility for compiling and disseminating monetary statistics to the public is not clearly specified in the Agreement or the Banking Act.</p>	<p>Seek the possibility to define in the Eastern Caribbean Central Bank Agreement Act the responsibilities of the ECCB for compiling and disseminating the statistics, including the monetary statistics.</p>		<p>Prepare a statistical code of practice that outlines responsibility and standards for collecting, compiling and disseminating statistics.</p>
<p>Resources Staff resources for compiling monetary statistics are currently not adequate. Further training and on-the-job experience are needed.</p>	<p>With respect to desirable improvements of current procedures and future developmental work in the area of monetary statistics, allocate about three new staff to the Monetary and Financial Unit of the Statistics Department to be responsible for the collection, verification, compilation and dissemination of monetary statistics.</p>	<p>Strengthen the skill of the staff through ongoing training. The following are being undertaken:</p> <p>Internal training by the Bank Supervision Department and the Accounting Department.</p> <p>Members of the staff attended Monetary and Financial Statistics course in July 2007. The course was sponsored by CARTAC.</p> <p>An attachment at the Statistics Department of the IMF for a member of staff is scheduled for September 2007.</p>	<p>Development of a system for the electronic transfer of financial data.</p>

<p>Relevance There is no formally established process of regular consultation with ministries, or representatives from the private sector or academia.</p>	<p>Establish structured and periodic process of consultations with external data users.</p>		<p>The Bank would undertake periodic surveys of users of the monetary data.</p>
<p>Other quality management Quality monitoring and data review need to be strengthened to ensure more comprehensive review of data prior to their dissemination.</p>			<p>Training and a system for the review of all the macro economic accounts would serve to strengthen the quality of the data.</p>
<p>1. Assurances of integrity</p>			
<p>Transparency The terms and conditions under which monetary statistics are collected, compiled, and disseminated are not publicly available. Monetary statistics are released simultaneously to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries, however, before monetary statistics is provided to the general public. This policy is not publicized by the ECCB.</p>		<p>Monthly monetary statistics are now uploaded on website at same time it is disseminated to commercial banks, IMF and the Ministries of Finance.</p>	
<p>2. Methodological soundness</p>			
<p>Concepts and definitions are broadly consistent with the <i>MFSM</i>. However, credit to domestic sectors other than central governments and private sector is presented on net basis in the dissemination of the monetary survey.</p>	<p>Disseminate monetary statistics for the ECCU area and for all its individual countries in the form of surveys, as recommended by the <i>MFSM</i>, e.g. central bank survey, other depository corporations survey, and depository corporations survey, which would facilitate the complete interpretation of the monetary data by users.</p>	<p>The Bank would adopt the classification that is consistent with the <i>MFSM</i>.</p>	

<p>Scope for the compilation of monetary statistics comprises the ECCB and 39 commercial banks operating in the ECCU area. Institutional coverage of the depository corporations is incomplete. Deposits collected by financial institutions other than commercial banks account for more than 7 percent of total deposit collected by commercial banks.</p>	<p>Expand the institutional coverage of other depository corporations to include finance companies, mortgage companies, and credit unions, and possibly other financial institutions that collect deposits. In this regard, expedite the coordination with national single regulatory units for data sharing.</p>	<p>The Bank currently gathers data from finance and mortgage licensed under the Banking Act companies, and would intensify its efforts to ensure a consistent series.</p>	<p>Data collection from the other non-banks will be coordinated with the Single Regulatory Units (SRUs).</p>
<p>Classification/sectorization Sectoral and instrument classifications of disseminated monetary statistics is not in full compliance with the <i>MFSM</i>, in particular with respect to analytical accounts of the commercial banks.</p>	<p>Implement outstanding recommendations of the recent IMF technical assistance mission on compiling monetary data in accordance with internationally recognized monetary statistics methodology and on the introduction of new call report forms for collecting data from commercial banks.</p>	<p>The new call report forms would be implemented by June 2008.</p>	
<p>Basis for recording Valuation principles applied by the ECCB and commercial banks are in general consistent with the <i>MFSM</i> guidelines; however, accrued interest is not incorporated in the value of underlying instruments.</p>			
3. Accuracy and reliability			
<p>Source data for the ECCB and commercial banks derived from accounting records are timely. However, source data for the accounts of commercial banks do not provide sufficient disaggregation needed for the compilation of monetary statistics recommended by the <i>MFSM</i>.</p>		<p>The implementation of the new call report forms in 2008 will provide additional details for compilation of the monetary statistics.</p>	

<p>Statistical techniques used to compile the monetary statistics are to a great extent automated and minimize processing time and errors (e.g., coding, editing, and tabulating errors). Seasonally adjusted monetary aggregates are not calculated.</p>			<p>The Bank would consider the concept of seasonally adjusted monetary aggregates.</p>
4. Serviceability			
<p>Timeliness of the disseminated data on broad money and credit aggregates for the ECCU does not meet GDDS recommendations; these data are released to the public four to five months after the reference month.</p>		<p>Monetary statistics are now uploaded on the ECCB's website on a monthly basis.</p> <p>Statistics link on ECCB website to be established by December 2007.</p>	
<p>There are consistency problems in the accounts of commercial banks vis-à-vis the central bank and the interbank commercial banks' positions.</p>	<p>Improve the verification procedures of disseminated information to ensure the consistency of the data among corresponding accounts of the ECCB and commercial banks.</p>	<p>Training of staff in IMF SRFs and development of links between SRFs and call forms will improve the consistency of data.</p>	
<p>Revision policy and practice Users are not informed about revised nature of data. Studies and analyses of revisions are not provided to the public.</p>	<p>Establish a policy for a periodic revision cycle and explanations of revisions to the public.</p>	<p>Revision policy and data release calendar would be placed on the ECCB website by December 2007.</p>	<p>Change in the definition of money and the new EPR will be pre-announced on the website during the first quarter of 2008.</p>
5. Accessibility			
<p>Data accessibility The presentation of monetary statistics does not facilitate the complete interpretation of the data by users. The ECCB does not disseminate data based on a preannounced schedule with specific dates.</p>	<p>Disseminate monetary data to all users simultaneously.</p> <p>Post on the ECCB website a schedule for the dissemination of monetary statistics with specific dates.</p>	<p>Monthly monetary statistics are now uploaded on website at same time it is disseminated to IMF and the Ministries of Finance.</p>	

		In addition to the list of available publications on website, the cost/subscription fees will be included.	
<p>Metadata accessibility The metadata posted in the IMF Dissemination Standard Bulletin Board (DSBB) have not been updated since August 2003. Detailed explanation of the monetary statistics methodology, data coverage, and data sources is not available to users.</p>	Develop the detailed description of methodology used for the compilation of monetary statistics and provide this description to all users of monetary data.	<p>A link to IMF GDDS website was established.</p> <p>GDDS metadata will be updated in September 2007.</p>	A metadata page would be placed on the ECCB website.

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**Monetary Statistics Component of the Regional Data Module
Report on the Observance of Standards and Codes (ROSC)
Detailed Assessments Using the Data Quality Assessment Framework (DQAF)**

Prepared by the Statistics Department

Approved by Robert W. Edwards and Anoop Singh

August 9, 2007

This document contains a detailed assessment of the elements and indicators that underlie the data quality dimensions discussed in the monetary statistics component of the Regional Data Module of the Report of the Observance of Standards and Codes (ROSC)—Data Module for the Eastern Caribbean Central Bank.

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ABBREVIATIONS

<i>1993 SNA</i>	<i>System of National Accounts 1993</i>
AD	Accounting Department of the Eastern Caribbean Central Bank
<i>BPM5</i>	<i>Balance of Payments Statistics Manual</i> , fifth edition
BSD	Bank Supervision Department of the Eastern Caribbean Central Bank
CARTAC	Caribbean Regional Technical Assistance Center
CCCU	Caribbean Confederation of Credit Unions
DQAF	Data Quality Assessment Framework
DSBB	Dissemination Standards Bulletin Board
EC	Eastern Caribbean
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
GDDS	General Data Dissemination System
IMF	International Monetary Fund
<i>MFSM</i>	<i>Monetary and Financial Statistics Manual</i>
NSRU	National Single Regulatory Units
ODCs	Other Depository Corporations
OFCs	Other Financial Corporations
RD	Research Department of the Eastern Caribbean Central Bank
ROSC	Report on the Observance of Standards and Codes
SD	Statistics Department of the Eastern Caribbean Central Bank
SDRs	Special Drawing Rights
SDDS	Special Data Dissemination Standard
SRU	Single Regulatory Unit

I. DETAILED ASSESSMENTS USING THE DATA QUALITY ASSESSMENT FRAMEWORK (DQAF) ON MONETARY STATISTICS

The following detailed information on indicators of statistical practices in the area of monetary statistics was gathered from publicly available documents and information provided by the officials of the Eastern Caribbean Central Bank (ECCB). This information, which is organized along the lines of the generic DQAF (see Table 2), was used to prepare the summary assessment of data quality elements, based on a four-part scale of observance, shown in the monetary statistics component of the Regional Data Module of the Report on the Observance of Standards and Codes (ROSC) for the ECCB. Because the ECCB compiles the monetary statistics not only for the Eastern Caribbean Currency Union (ECCU), but also for individual member countries of the ECCU, this report provides an assessment of the monetary statistics compiled for the ECCU area and individual member countries as well.

Even though the ECCB does not participate in the General Data Dissemination System (GDDS), six member countries of the ECCU are GDDS participants.¹ Therefore, the monetary data dissemination practices conducted by the ECCB were assessed against the GDDS.

0. Prerequisites of quality

0.1 *Legal and institutional environment*

0.1.1 The responsibility for collecting, processing, and disseminating the statistics is clearly specified

Although the Eastern Caribbean Central Bank Agreement Act 1983 (ECCB Act) adequately addresses the issue of the ECCB's authority to collect data for the proper discharge of its functions and responsibilities, the ECCB's responsibility for compiling and disseminating monetary statistics to the public is not clearly specified.

The authorities state that this responsibility is implied in Section 35 (5) of the ECCB Act which states that the ECCB may prepare and publish consolidated statements and returns provided to the ECCB by the financial institutions licensed under the Banking Act²

¹ The ECCU comprises Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts and Nevis, Saint Lucia, and St. Vincent and the Grenadines. The GDDS participants are independent territories of Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, Saint Lucia, and St. Vincent and the Grenadines. Anguilla and Montserrat do not participate in the GDDS because they are not independent states.

²A universal template of the Banking Act was prepared by the ECCB and provided to the ECCU governments in early 2005, which should bring this act into operations in their territories. The Banking Act came into effect by announcement of the government of Anguilla on January 1, 2006, the government of Antigua and Barbuda on January 1, 2006, the government of Dominica on March 31, 2006, the government of Grenada on March 31, 2006, the government of Montserrat on May 1, 2005, the government of St. Kitts and Nevis on November 4, 2006, the government of Saint Lucia on April 1, 2007, and the government of St. Vincent and the Grenadines on April 10, 2007.

(commercial banks, mortgage companies, and finance companies) relating to the territories of the government of the ECCU member countries individually or collectively. In addition, section 7(2) of the ECCB Act states the responsibilities of the ECCB to provide the Monetary Council with the report on monetary and credit conditions in the ECCU territory, which cannot be implemented without the monetary statistics.

0.1.2 Data sharing and coordination among data-producing agencies are adequate

Within the ECCB, working arrangements for the compilation and dissemination of monetary statistics are guided by internal operational guidelines, the *Procedural Manual*, in its latest revision of September 2005. The *Procedural Manual* defines the responsibilities and the procedures of data sharing and coordination between the Statistics Department (SD), Accounting Department (AD), and Banking Supervision Department (BSD). The ECCB monthly balance sheet data and supplementary information are prepared by the AD and become available to the SD. The monthly balance sheet data and supplementary information of the commercial banks are directly submitted to the SD.

The ECCB hosts meetings three times a year with commercial banks supervised by the ECCB to address operational aspects of the submission of the data defined in the ECCB Act and the Banking Act with respect to the methodology and timeliness of the data.

The arrangements for data sharing and coordination are under consideration between the ECCB and the national authorities of the ECCU member countries that are responsible for supervising all financial corporations other than those licensed under the Banking Act. Efforts have been made to integrate the regulatory framework by encouraging each member territory to establish a single regulatory agency. It is envisioned that this agency, commonly referred to as the single regulatory unit (SRU) would be endowed with adequate legal authority, funding and other resources to supervise all financial institutions not licensed under the Banking Act. In Anguilla and Montserrat, the SRUs are functional. In the Commonwealth of Dominica, Grenada and Saint Lucia they are at an advanced stage. To speed up this process, the ECCB has taken initiative to host a conference in February 2007 to discuss the institutional arrangements of regulatory units and future data sharing and coordination between the ECCB and national regulatory units. The ECCB envisages hosting a follow-up meeting in June 2007 in order to ensure the establishment of such arrangements, which are very important for expansion of the coverage of monetary and financial statistics to cover data of those financial corporations that are not licensed under the Banking Act. It is anticipated that the SRUs in all territories would be fully functional by the end of 2007.

0.1.3 Individual reporters' data are to be kept confidential and used for statistical purposes only

Section 35 (5) of the ECCB Act states that all statements, returns, and any data submitted by financial corporations licensed under the Banking Act shall be regarded by the ECCB as secret. Section 35 (6) of the ECCB Act states that at the request of a member government of the ECCU, the ECCB shall arrange for the government to be supplied with a copy of any

statement or return furnished by a financial institution and that all statements and returns so supplied shall be regarded by the government as secret.

Section 23 (3) of the Banking Act states that all statements, returns, data, or information submitted by a financial institution under the Banking Act shall be regarded by the ECCB as secret. And section 23 (4) of this act indicates that at the request of a member government of the ECCU, the ECCB shall arrange for the government to be supplied with a copy of any statement or return furnished by a financial institution and the returns so supplied shall be regarded by the government as secret.

Staff of the ECCB is required at the time of joining the ECCB to sign an oath to comply with the internal confidentiality rule. Internal guidelines, the *Staff Regulation* of the ECCB, in its latest update of November 2006, also states in section 22.4 that a staff who contravenes his/her obligation to treat the data as secret is held to disciplinary action under this internal regulation.

Access to individual data are restricted to staff of the SD, the BSD, and the Research Department (RD), who need such information in performing their statistical duties. Access to individual data by the authorized staff is verified by a username and password. Furthermore, the name of the reporting institution is converted into a code so that the identity of the reporting institution cannot be readily detected by staff of the ECCB unless otherwise authorized. Special aggregation rules are used to prevent residual disclosure of individual reporter's data.

0.1.4 Statistical reporting is ensured through legal mandate and/or measures to encourage response

Section 35 (2) of the ECCB Act states the responsibilities of the ECCB to collect and compile information from the financial institutions licensed under the Banking Act, in particular a monthly statement of assets and liabilities at the end of each month within fourteen days after the end of the reference month. In addition, Section 23 (2) of the Banking Act states the responsibilities of the financial institutions licensed under the Banking Act to submit the monthly and quarterly statement of assets and liabilities, and Section 23 (7) gives the ECCB the authority to penalize the financial institutions licensed under the Banking Act that do not comply with the data reporting responsibilities with summary conviction to a fine not exceeding five thousand dollars for each contravention. Furthermore, the internal guidelines, the *Ladder of Enforcement Action*, defines different degree of actions to be taken by the ECCB against a financial institution licensed under the Banking Act that do not comply with its data reporting obligation.

The ECCB considers carefully response burden of the financial corporations licensed under the Banking Act and provides them assistance in completing the data reporting forms, by identifying a specific contact person in the SD. The ECCB seeks to secure cooperation with reporting financial institutions by creating goodwill.

0.2 Resources

0.2.1 Staff, facilities, computing resources, and financing are commensurate with statistical programs

The number of staff is currently inadequate for the compilation of monetary statistics in the current scope.³ In addition to a Deputy Director who oversees general tasks of the SD in the compilation of monetary data, two economic statisticians and one clerical staff are exclusively responsible for the collection, verification, and compilation of monetary data and for reporting, to the IMF for surveillance and publication purposes, a monthly statement of assets and liabilities of the ECCB and commercial banks. Current staffing responsible for the compilation of monetary data would need to be increased with respect to developmental work in the area of monetary statistics and expansion of the institutional coverage of the monetary data. A data warehouse project that is envisaged to streamline the data processing activities is expected to materialize in a short term.

The qualification of staff responsible for monetary statistics tasks is adequate. Core staff are given opportunities to receive training provided by the Caribbean Regional Technical Assistance Centre (CARTAC) and the IMF Institute in the monetary statistics methodology.

Salary levels are adequate for the nature of the work and are competitive with those in public administration agencies in the ECCU member countries.

Sufficient resources are allocated, and best efforts are made to exploit the full potential of computing technology for compiling and disseminating the statistical series. Every staff of the SD is assigned a personal computer with internet access and adequate software such as Excel and AREMOS. Software is periodically updated and well adapted to perform existing and emerging tasks relating to the monetary statistics.

Daily backups are conducted on a system wide basis, including for the monetary data, by the Management Information System Department, which is responsible for the proper functioning of the ECCB's computer network, and by staff of the SD.

The office building provides adequate working facilities. Office furniture and equipment are adequate to perform required tasks. Transportation arrangements are not relevant for the data collection, because the data are submitted electronically.

Funding is reasonably secure for the identified needs of the statistical program. During the budgeting process, proposals on the development work program in monetary statistics within the department's strategy paper are presented to the Board of Directors. The funding horizon is usually one year.

³ During the preparation of this assessment, the SD lost one of its qualified staff who was responsible for the compilation of commercial banks' data.

0.2.2 Measures to ensure efficient use of resources are implemented

Performance review of staff is conducted on a quarterly basis.

The efficiency of work processes are reviewed by a committee with the responsibilities for enhancing the input, processing, and retrieval of data through technological enhancement. The ECCB seeks expert assistance from the IMF to evaluate statistical methodologies and the compilation system.

Resources used to compile the monetary statistics are measured once a year during the budgeting process.

0.3 Relevance

0.3.1 The relevance and practical utility of existing statistics in meeting users' needs are monitored

There is no formally established process of regular consultation with ministries, representatives from the private sector, or academia. Some external users indicate that monetary data do not reflect their emerging data needs. Internal data users such as economists and bank examiners of the ECCB are consulted on their specific needs of data. Commercial banks, which are data providers as well as consolidated data users, are also consulted about their data needs on a regular basis.

A structured and periodic process of consultation with policy and operation departments of the ECCB such as the RD, the BSD, and the Banking and Monetary Operations Department are in place. The SD consults with RD's Technical Unit, as a heavy data user, the usefulness of the data and expresses data needs on a regular basis.

The ECCB as a data producing agency regularly participates in statistical meetings and seminars organized by external organizations such as the IMF and the Bank of England.

0.4 Other quality management

0.4.1 Processes are in place to focus on quality

The awareness of the management of all dimensions of data quality is promoted via discussion with the management on a work program document, which is submitted to the management during the budgeting procedure for the next fiscal year.

Staff training programs emphasizes the importance of quality. Specific documents or information on the ECCB's commitment to quality are not made available to the general public.

0.4.2 Processes are in place to monitor the quality of the statistical program

The budgeting procedure plays a role in monitoring processes to inform management on the quality of monetary data achieved in the ECCB's statistical activities. Procedures are in place that verify the quality of statistical information at each stage of the collection, processing, and dissemination of data. Quality control in the process of collecting, processing, and verifying data is performed through computerized cross checks and, in the event of discrepancies, through follow-ups by staff of the SD with the BSD and the reporting commercial banks. However, the analytical component of the work of the SD needs to be strengthened to ensure a more comprehensive review of the data prior to their dissemination.

Compiling staff has access to expert guidance via the IMF's technical assistance on the quality of the ECCB's monetary statistics and on strategies for improving the data production. Periodic reviews are also undertaken to identify steps necessary to maintain quality requirements.

0.4.3 Processes are in place to deal with quality considerations in planning the statistical program

Quality issues are taken into account in the work program planning process. Improvements identified through ongoing monitoring, feedback from users, and recommendations from international organizations are incorporated in the work program for implementation, whenever feasible.

1. Assurances of integrity

1.1 Professionalism

1.1.1 Statistics are produced on an impartial basis

Although no formal provisions are in place regarding the professional independence of the ECCB's production of statistics, by tradition and by virtue of its authority, the ECCB's independence in the data processing is respected by the governments of the ECCU member countries. Furthermore, the nature of the ECCB that involves governments of eight member countries participating in the Monetary Council and the Board of Directors prevents a government of a member country from interfering in the compilation and dissemination of statistics. Professional competency plays a key role in the recruitment and promotion policy in the SD. Specific qualification criteria defined by the Human Resource Department of the ECCB are posted with vacancy announcements. A set of clear rules and principles based on performance govern the promotion policy.

Professionalism of the staff in charge of the compilation of monetary statistics is promoted by encouraging participation in lectures, conferences, seminars, and training courses, including those organized by the IMF. Formal and on-the-job training in the methodology and compilation methods is regularly provided.

A culture of professionalism is promoted in the workplace by internal guidelines such as the *Staff Regulations*, in its last update of November 2006, and the *Training and Staff Development Policy with Procedures and Guidelines*, in its last update of November 2006. A culture of professionalism is also warranted by the Quarterly Performance Review and a feedback process to the staff.

1.1.2 Choices of sources and statistical techniques as well as decisions about dissemination are informed solely by statistical considerations

The choice of sources and statistical methods is determined by statistical, as well as prudential, policy considerations.

Decisions to disseminate data are based solely on statistical considerations. Decisions about the timing, media, and other aspects of dissemination are based solely on statistical considerations.

1.1.3 The appropriate statistical entity is entitled to comment on erroneous interpretation and misuse of statistics

Although there is no specific policy or custom in place to comment on erroneous interpretation and misuses of statistics, the ECCB's announcement on the formal interpretation of the data in the *Economic and Financial Review*, media conferences by the Governor after every meeting of the monetary council, and a policy defined by the internal guidelines, the *Media Relations*, in its last update of November 2006, warrant the formal interpretation of the economic and financial situation in the ECCU region.

1.2 Transparency

1.2.1 The terms and conditions under which statistics are collected, processed, and disseminated are available to the public

The ECCB Act and the Banking Act are available in a hard copy and in PDF format posted on the ECCB's website. The terms and conditions, or the *Procedure Manual*, under which official statistics are compiled and disseminated, is an internal document. These terms and guidelines are not publicly available.

The ECCB makes an active and ongoing effort to inform about the terms and conditions under which the compilation and dissemination of monetary data operate in occasions such as official meetings of the ECCB with the commercial banks, held three times a year.

The statistical publications, i.e., the *Economic and Financial Review*, the *Commercial Banking Statistics*, and the *Financial Statistics Yearbook* do not identify where more information about the data producing agency and its products can be found; however, details on monetary data are provided to users upon their request.

1.2.2 Internal governmental access to statistics prior to their release is publicly identified

The monetary statistics are released simultaneously to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries—before the dissemination of the data to the general public. This practice is not publicized by the ECCB.

1.2.3 Products of statistical agencies/units are clearly identified as such

The ECCB's statistical publications are clearly identified as products of the ECCB with its name and logo. All statistical publications released by the ECCB are completed solely by the ECCB, and there are no joint statistical publications. The ECCB has internal guidelines to claim copyrights on its publication. However, the ECCB does not publicly request attribution when its statistics are used for reproduction.

1.2.4 Advance notice is given of major changes in methodology, source data, and statistical techniques

There have not been major changes in methodology or source data of the monetary statistics. Therefore, there has not been a need for an advance notice of these changes during recent years. However, the ECCB prepares announcements of improvements in the monetary data when new report forms are introduced for the collection of data from the commercial banks for banking supervision and monetary statistics purposes.

1.3 Ethical standards

1.3.1 Guidelines for staff behavior are in place and are well known to the staff

Section 35 (5) of the ECCB Act provides broad ethical guidelines, in particular, with respect to the data confidentiality for employees of the ECCB. In addition, staff members of the ECCB are bound by the internal guidelines, the *Staff Regulations*, in its last update of November 2006, which identifies correct behavior when the ECCB staff are confronted with a potential conflict of interest. These internal guidelines also identify the connection between ethics and staff work. The ECCB employees are provided with the *Staff Regulations*. Awareness of the content of internal guidelines is occasionally promoted by staff of the ECCB at the time of internal office meetings.

2. Methodological soundness

2.1 Concepts and definitions

2.1.1 *The overall structure in terms of concepts and definitions follows internationally accepted standards, guidelines, or good practices*

The analytical framework used by the ECCB in compiling analytical accounts of the ECCB, central banks of individual member countries of the ECCU,⁴ and commercial banks reflects concepts and principles that are broadly in line with the *Monetary and Financial Statistics Manual (MFSM)*. The ECCB uses the concept of a *Monetary Survey* (rather than a *Depository Corporations Survey*), for the entire ECCU area as well as for individual member countries of the ECCU, disseminated in the *Economic and Financial Review* and posted on the ECCB's website. The ECCU *Monetary Survey* is derived by consolidating the accounts of the ECCB and commercial banks and provides an analytical presentation of the intermediation role of the ECCB and commercial banks. The *Monetary Surveys* of individual member countries of the ECCU are derived by consolidating the accounts of the central banks of ECCU member countries and commercial banks operating in each member country.

The monetary aggregates compiled and disseminated by the ECCB are as follows: (i) M_1 , comprising currency in circulation (ECCB notes and coins in circulation) minus cash at the commercial banks (ECCB notes and coins) plus demand deposits of the private sector (comprising other resident sectors and other nonfinancial corporations) in Eastern Caribbean (EC) dollars, and (ii) M_2 (broad money), comprising M_1 plus savings and time deposits of the private sector in EC dollars and foreign currency deposits of the private sector. These monetary aggregates apply for the entire ECCU area, as well as for individual member countries.

Other aggregates compiled and disseminated by the ECCB are as follows: (i) net foreign assets (net foreign assets of the ECCB and commercial banks), (ii) domestic credit to the central government net, other public sector net (comprising social security scheme and public nonfinancial sector), other financial corporations net, subsidiaries and affiliates net, (iii) domestic credit to the private sector (other nonfinancial corporations and other resident sectors), and (iv) other items net. These aggregates apply also for the entire ECCU area and for individual member countries.

In the compilation of aggregates for the entire ECCU, external and domestic accounts are identified based on the center of economic interest with respect to the entire ECCU area. Interbank positions between commercial banks operating in the ECCU area are consolidated as if the entire ECCU were a single country.

⁴ While the central banks of individual member countries of the ECCU do not exist, the SD of the ECCB compiles and disseminates data for the central banks of the ECCU member countries using accounting records of the AD which identify separately ECCB positions with governments and other resident units of each ECCU member country.

With respect to a member country's specific aggregates, external and internal accounts are identified based on the center of economic interest with respect to the territory of the specific member country. Interbank positions between the commercial banks operating in one member country's territory are consolidated. Interbank positions between the commercial banks operating in different ECCU member countries are treated as foreign assets and foreign liabilities of a particular member country. This exercise is possible because most positions of the ECCB and commercial banks are identified with respect to institutional units (sectors) and countries in which the institutional units (sectors) have a center of economic interest. Exceptions are capital accounts of the ECCB allocated to the member countries of the ECCU. The amounts included in the capital accounts of the ECCU belong exclusively to the ECCB and should not be allocated to the central banks of individual member countries of the ECCU. Therefore, in the compilation of central banks' aggregates for individual member countries of the ECCU, capital accounts are imputed by taking the difference between the total asset and liabilities of the accounts of the ECCB attributed to each member country of the ECCU.

The presentation of aggregate domestic credit creates a problem with respect to the data on credit to other sectors of the economy other than the central government and the private sector. The general principle of the *MFSM* is that data should be collected, compiled, and disseminated on a gross basis. In particular, claims on a particular transactor or group of transactors should not be netted against the liabilities to that transactor or group. Due to the analytical usefulness of the data, the exceptions in netting are categories of foreign assets and foreign liabilities and claims on the central government and liabilities to the central government that are compiled and disseminated as net foreign assets and net claims on the central government, respectively. Netting of deposits of the public sector and deposits of other financial corporations from claims on public sector and claims on other financial corporations, respectively, underestimates the total value of credit extended to these sectors.

2.2 *Scope*

2.2.1 *The scope is broadly consistent with internationally accepted standards, guidelines, or good practices*

As of end-March 2007, the institutional coverage of the *Monetary Survey* comprises the ECCB and 39 active commercial banks⁵ (including 14 branches of foreign banks operating in the ECCU member countries).

For analytical purposes, the *MFSM* defines the other depository corporations (ODCs) as all resident financial corporations (except for the central bank) and quasi corporations mainly

⁵ Two of these commercial banks are branches of the RBTT Bank, which headquarters in St. Vincent and Grenadines. These two branches are located in Saint Lucia and in Antigua and Barbuda. In the compilation of monetary data for the ECCU, the SD uses only consolidated balance sheet data of the RBTT Bank operating in St. Vincent and Grenadines and does not consider data of these two branches.

engaged in financial intermediation and whose liabilities include deposits or financial instruments that are included in the national definition of money. The national definition of broad money is thus fundamental to the methodology of the *MFSM*, in that it determines which units in the financial corporations sector are classified as the ODCs. To be in line with the *MFSM* guidelines, the ODCs should include all financial corporations that issue liabilities (accept deposits or issue instruments that are considered as close substitute of deposits) to be included in the national definition of broad money. In this connection, the institutional coverage of monetary statistics compiled by the ECCB does not comply with the *MFSM* guidelines, because monetary data do not include data on activities of other financial institutions operating in the ECCU region that accept deposits. As of end-March 2007, these other financial corporations included six finance companies, eight mortgage companies, four building societies, and 65 credit unions. As of end-2006, deposits accepted by the finance companies, mortgage companies, and credit unions represented about 7 percent of national-currency deposits accepted by the commercial banks for the same date.

2.3 Classification/sectorization

2.3.1 Classification/sectorization systems used are broadly consistent with internationally accepted standards, guidelines, or good practices

The definition of residency in the monetary data is consistent with the *BPM5*, *1993 SNA*, and *MFSM*. The ECCB acts as a common central bank for the member countries of the ECCU and, therefore, the distinction between resident and nonresident for the accounts of the ECCB is made with respect to the center of economic interest inside or outside the entire ECCU territories. The definition of residency in monetary data for individual ECCU member countries is made with respect to the center of economic interest inside or outside the territory of the member country.

The sectorization of the domestic economy presented in monetary statistics is not fully consistent with the *MFSM*. The sectorization of resident units recommended by the *MFSM* for the purposes of compiling monetary statistics comprises (i) central bank, (ii) other depository corporations, (iii) other financial corporations (OFCs), (iv) central government, (v) state and local governments, (vi) public nonfinancial corporations, (vii) other nonfinancial corporations, and (viii) other resident sectors. The sectorization of resident units adopted by the ECCB in the presentation of the *Monetary Survey* comprises: (i) central bank, (ii) commercial banks, (iii) central government (which is a mix of the central governments and state and local governments), (iv) other public sector (which consists of social security scheme and public nonfinancial corporations), (v) non bank financial institutions (which consist of finance companies, mortgage companies, building societies, credit unions, and other financial institutions), (vi) subsidiaries and affiliates (which is a mix of institutions that should be classified within the financial corporations, both depository and other financial corporations, and other nonfinancial corporations), and (vii) private sector (which consists of other nonfinancial corporations and other resident sectors).

The classification of financial instruments in the accounts of the ECCB and commercial banks as presented in the ECCB's statistical publications, i.e., the *Economic and Financial*

Review and the *Commercial Banking Statistics*, is also not fully consistent with the *MFSM* guidelines. The classification of financial instruments recommended by the *MFSM* for purposes of compiling monetary statistics comprises (i) monetary gold and SDRs, (ii) currency and deposits, (iii) securities other than shares, (iv) loans, (v) shares and other equity, (vi) insurance technical reserves, (vii) financial derivatives, and (viii) other accounts receivable/payable.

The classification of instruments presented in the monetary data for the accounts of the ECCB is as follows: (i) external assets, (ii) claims on local government debentures, (iii) local treasury bills, (iv) loans and advances to central governments, (v) other claims on central governments, (vi) other assets, (vii) currency in circulation, (viii) bankers reserves, (ix) bankers fixed deposits, (x) other due to banks, (xi) foreign liabilities, (xii) other demand liabilities, (xiii) general reserves, and (xiv) other liabilities. On the asset side, the aggregate other asset category combines deposits, loans to sectors other than central government, shares and other equity, insurance technical reserves, financial derivatives, and other accounts receivable. On the liability side, data on other due to banks combine deposit liabilities to all sectors other than commercial banks, securities other than shares, loans, shares and other equity, financial derivatives, and other accounts payable.

The classification of instruments presented in the monetary data for accounts of the commercial banks is as follows: (i) cash, (ii) deposits with the ECCB, (iii) claims on other local banks, claims on other ECCB area banks, (iv) loans and advances, (v) treasury bills, (vi) securities, (vii) foreign assets, (viii) other assets, (ix) deposits (demand, time, savings, foreign currency), (x) balances due to the ECCB, (xi) balances due to other local banks, (xii) balances due to other ECCU area banks, (xiii) foreign liabilities, and (xiv) other liabilities. On the asset side, data on securities combine investment in debt securities and shares and other equity, and data on other assets combine cash, financial derivatives, and other accounts receivables. On the liability side, data on other liabilities represent a mix of securities other than shares, loan liabilities to resident sectors other than commercial banks, shares and other equity, financial derivatives, and other accounts payable.

It is desirable that *MFSM*-recommended sectoral and instrument classification is fully implemented in the monetary data disseminated by the ECCB, in particular, if data with *MFSM*-recommended sectoral and instrument classification are compiled and reported to the IMF for publication in *International Financial Statistics*.

2.4 Basis for recording

2.4.1 Market prices are used to value flows and stocks

The general recommendation of the *MFSM* is that the financial assets and liabilities should be valued on the basis of market prices or market-price equivalents (fair values). The valuation of loans is an exception to this principle; loan values should be based on creditors' outstanding claims without adjustment for expected loan losses. This amount comprises the outstanding principal plus accrued interest and is referred to as the book value of a loan.

Holding gains and losses arising from changes in market values (or fair values) of financial assets and of outstanding liabilities should be recorded separately in a revaluation account.

In the monetary data compiled by the ECCB, financial assets traded in markets on a regular basis are valued at the market prices of the instruments. Financial instruments not traded in markets on a regular basis are valued on a fair value basis. Loans are valued at current book value without adjustment for provisions. Valuation adjustments are included in other liabilities for the accounts of the ECCB and commercial banks, but are not separately identified in the disseminated data. Other accounting rules are clearly described in explanatory notes contained in the *Annual Financial Statement* and the *Report and Statement of Accounts* that the ECCB discloses for accounting standard compliance purposes. All stocks and flows denominated in foreign currencies are translated to national currency values at the official rate pegged at EC\$2.70 to US\$1.00.

2.4.2 Recording is done on an accrual basis

The *MFSM* recommends that, in monetary data, the accrued interest be included in the value of the underlying financial instrument. The accounts of the ECCB and commercial banks are recorded on an accrual basis. Interest accrued on financial assets and liabilities is treated as accruing continuously during the accounting period. However, interest accrued is not incorporated in the outstanding amount of the interest-bearing financial assets and liabilities, but rather is recorded under other assets and other liabilities in the accounts presented in the ECCB publications.

2.4.3 Grossing/netting procedures are broadly consistent with internationally accepted standards, guidelines, or good practices

Except for cases described in the element 2.1, the accounts of the ECCB and commercial banks are collected, compiled, and disseminated on a gross basis.

3. Accuracy and reliability

3.1 Source data

3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions

The source data for the analytical presentation of accounts of the ECCB and central banks of individual ECCU member countries consist of the ECCB monthly financial statement and supplementary information. The source data for accounts of commercial banks are call report forms that are based on accounting records of commercial banks and additional information in the format of supplementary forms.

The call report forms from commercial banks that are currently in use were slightly modified in 2003. These forms are primarily the source of data for banking supervision, but also include disaggregated data needed for the compilation of monetary statistics.

The BSD maintains a comprehensive register of commercial banks. Register maintenance procedures are adequate.

Financial markets and other sources of information are monitored only on *ad hoc* basis. In most cases, financial markets and other sources of information are not relevant, because a majority of financial instruments are not regularly traded.

3.1.2 Source data reasonably approximate the definitions, scope, classifications, valuation, and time of recording required

The accounting records used for compiling the analytical presentation of accounts of the ECCB and central banks of individual ECCU member countries contain broadly sufficient details to classify data by financial instrument and economic sector as defined in the *MFSM*. However, ECCB accounting records do not currently provide information for disaggregation of positions in all instruments in EC dollars and in foreign currencies.

The call report forms reported by commercial banks and used for compiling their analytical accounts do not contain all necessary information needed for the classification of their data by financial instruments and economic sectors as recommended by the *MFSM*. In particular, the data reported by commercial banks do not separately identify positions in shares and other equities and financial derivatives; and do not provide sufficient details needed for verification of interbank positions. The data on some instruments do not provide sufficient sectoral breakdown for the compilation of reliable and properly sectorized monetary data.

The ECCB is aware that commercial bank data do not provide sufficient detail for the complete assessment of commercial banks activity and for the compilation of monetary statistics in line with the *MFSM*. Therefore, the BSD in cooperation with the SD have prepared a new reporting system that would fully satisfy banking supervision and monetary statistics requirements. The timing of the implementation of this new reporting system will be determined after the June 2007 meeting with commercial banks.

3.1.3 Source data are timely

The supplementary data with a breakdown by country, which are a source data for the analytical accounts of the ECCB and central banks of individual ECCU member countries, are made available to the SD by the AD within about one week after the end of the reference month. The ECCB financial statement, the essential source data for the ECCB accounts, is made available to SD by the AD in about four weeks after the end of the reference month. Timing of the receipt of these data sources provides sufficient time for the compilation and dissemination of ECCB accounts and analytical accounts of central banks of individual ECCU member countries in accordance with the GDDS recommendations for the dissemination of central bank's aggregates.

The source data for the accounts of commercial banks are made available to SD directly by commercial banks usually not later than 14 working days after the reference period, as

required in the Banking Act. The timing of the receipt of the source data for the commercial banks' accounts also provides sufficient time for the compilation and dissemination of their data in accordance with the GDDS recommendations for the dissemination of depository corporation's aggregates.

The ECCB employs follow-up procedures defined in the internal guidelines, the *Ladder of Compliance*, to ensure the timely receipt of commercial banks' data. Delays in reporting of the commercial banks' data are not significant.

3.2 Assessment of source data

3.2.1 Source data—including censuses, sample surveys and administrative records—are routinely assessed, e.g., for coverage, sample error, response error, and nonsampling error; the results of the assessments are monitored and made available to guide statistical processes

All source data used for compiling the monetary statistics are derived from accounting records, and censuses or surveys are not used. The SD monitors and validates the coverage, completeness, and consistency of the reported data. The SD also reviews consistency of the time-series data for large fluctuations, and high-value transactions are confirmed. In addition, in accordance with the guidelines, *Parameters for Reporting Variances*, the commercial banks provide the BSD and SD with a statement on variance checks, together with reporting their monthly statements. The commercial banks provide explanatory notes when a change in the account exceeds a threshold established by the ECCB—EC\$1 million or 10 percent of the previous balance on the account.

The SD cooperates with the BSD to inform a respective bank of the need for resubmission or correction of any erroneous report. In some cases, the banks are late in providing revised information which causes delays in resolving issues with problematic data sources. Queries regarding the balance sheet data and supporting schedules of the ECCB and its positions vis-à-vis commercial banks are resolved in most cases among the SD, the BSD, and the AD.

The source data are routinely analyzed. The effects of changes to report forms are assessed. Source data are analyzed in the context of revisions.

3.3 Statistical techniques

3.3.1 Data compilation employs sound statistical techniques to deal with data sources

The source data for the analytical accounts of the ECCB and central banks of individual ECCU member countries, and commercial banks are provided in Excel spreadsheets which include several cross-checking equations for the data. The statistical techniques used to compile the monetary statistics are automated. In processing the source data, computerized files that incorporate macros are used to avoid processing errors. In case of late reporting or missing data of the commercial banks, the data are estimated by carrying forward balances of the previous month or by extrapolation of the previous-month balances.

3.3.2 Other statistical procedures (e.g., data adjustments and transformations, and statistical analysis) employ sound statistical techniques

The compilation of monetary statistics is fully based on accounting sources, and statistical adjustments are not carried out. The SD does not calculate seasonally adjusted monetary aggregates and does not make any other statistical adjustments to the monetary statistics.

3.4 Assessment and validation of intermediate data and statistical outputs

3.4.1 Intermediate results are validated against other information where applicable

The SD is using the ECCB's and commercial banks' accounting data on stocks in the compilation of monetary statistics. If deemed necessary, the SD validates the accuracy of the monthly source data submitted by banks against other data sources. The data on flows are not used for the verification of stock data, because data on flows are not calculated.

3.4.2 Statistical discrepancies in intermediate data are assessed and investigated

The SD routinely assesses the behavior of data series. Most queries concerning the data used for the compilation of monetary statistics are resolved by the SD directly with the banks.

3.4.3 Statistical discrepancies and other potential indicators of problems in statistical outputs are investigated

The SD investigates statistical discrepancies and determines major factors that might be contributing to them. In the case of large and unexplained fluctuations in data series, the SD investigates possible classification/sectorization errors by individual respondents.

3.4 Revision studies

3.5.1 Studies and analyses of revisions are carried out routinely and used internally to inform statistical processes (see also 4.3.3)

There is currently no mechanism in place to conduct routine revision studies. The ECCB believes that they are not relevant for the monetary statistics. However, deviations, omissions, and other potential sources of problems in the data (e.g., erroneous sectorization of institutional units) are identified and investigated. The results of these *ad hoc* studies are not made available to the users.

4. Serviceability

4.1 *Periodicity and timeliness*

4.1.1 *Periodicity follows dissemination standards*

The GDDS recommends that the monthly accounts of the central bank and the ODCs be disseminated. The ECCB posts on its website the ECCB survey and commercial banks' data of individual ECCU countries on a monthly basis. The ECCB also publishes monthly data of the commercial banks in the *Commercial Banks Statistics* and the *Economic Financial Review*. These publications are posted on the ECCB website.

4.1.2 *Timeliness follows dissemination standards*

The GDDS recommends that the monthly data on the central bank are disseminated within one to two months after the end of the reference month and that the monthly data on the ODCs are disseminated within two to three months after the end of reference month. The ECCB posts on its website the ECCB survey and monetary data for individual ECCU member countries approximately five to six weeks after the end of the reference month. However, the data on broad money and credit aggregates for the ECCU are disseminated only within about four to five months after the end of the reference month. It would be desirable that the timeliness of the disseminated data on broad money and credit aggregates for the ECCU is improved to accord with the GDDS recommendations as soon as possible. In the future, the ECCB should consider improving the timeliness further so that the disseminated data comply with the requirements of the Special Data Dissemination Standard (SDDS).

4.2 *Consistency*

4.2.1 *Statistics are consistent within the dataset*

The central banks'⁶ claims on and liabilities to the commercial banks and the commercial banks' claims on and liabilities to the central banks are occasionally inconsistent. Flow data are not compiled and, therefore, stock and flow data reconciliation is not possible. As a result, monetary aggregates are not reconcilable with the aggregates of monetary instruments held by money holding sectors in the flow of funds accounts. For the same reason, credit aggregates are not reconcilable with the debt aggregates calculated from the flow of funds accounts.

The consistency in the commercial banks' interbank positions is not verifiable on the basis of the monetary statistics disseminated to the public. Based on the data compiled and reported

⁶ Both the ECCB and the central banks of individual member countries.

to the IMF for publication purposes, there are some discrepancies in commercial banks' interbank positions.

It would be desirable if the consistency checks on central banks' and commercial banks' positions and on commercial banks' interbank positions are included in the automated verification process for data used in the compilation of monetary statistics and that regular analysis of possible discrepancies in these positions be provided by compilers of the monetary statistics to reporting banks.

4.2.2 Statistics are consistent or reconcilable over a reasonable period of time

In the publications and disseminated data, time series for the *Monetary Surveys* for the ECCU and individual ECCU member countries are available for the most recent six quarters. The accounts of the ECCB and commercial banks are available for the past 21 months for the monthly data, one year for the quarterly data, and 17 years for the annual data. These data are consistent over the periods for which they are disseminated. There has not been a change in the source data and methodology and, therefore, historical series have never been revised, and explanatory notes to changes have not been necessary. Unusual changes in economic trends have not been detected and, therefore, no explanation has been provided to the data users.

4.2.3 Statistics are consistent or reconcilable with those obtained through other data sources and/or statistical frameworks

As verified, the monetary data are directly used as inputs for the compilation of the balance of payments, government finance, and national accounts statistics (relevant aggregates) and therefore, the consistency between the monetary statistics and these other macroeconomic statistics is assured.

4.3 Revision policy and practice

4.3.1 Revisions follow a regular and transparent schedule

The accounting data used for the monetary statistics are deemed final. However, even though the ECCB does not have a revision policy for statistical information, the data for the ECCB, central banks of individual member countries of the ECCU, and commercial banks are revised immediately after new or revised data are provided to the SD. In practice, the data are usually revised in the following month. No announcement has been made to the public with respect to the revision cycle. The SD is currently drafting a revision policy for all statistical data compiled by the ECCB and expects to announce this policy to the public during the year 2007.

4.3.2 Preliminary and/or revised data are clearly identified

The *Monetary Surveys* and the accounts of the ECCB and commercial banks are denoted with corresponding signs for preliminary data as "P" and for revised data as "R," which are

documented in notes to the *Economic and Financial Review*. Users are not informed as to why the ECCB publishes preliminary data.

4.3.3 *Studies and analyses of revisions are made public (see also 3.5.1)*

Because monetary data are based on accounting records and preliminary data are released only due to occasional delays in the finalization of balance sheets and reporting, no studies and analyses of revisions are carried out routinely. However, errors and data shortcomings in the data reported by banks are the focus of internal analysis. The results of these analyses are not made available to the users.

5. **Accessibility**

5.1 **Data accessibility**

5.1.1 *Statistics are presented in a way that facilitates proper interpretation and meaningful comparisons (layout and clarity of text, tables, and charts)*

The presentation of the *Monetary Survey* and the explanatory notes provided by the ECCB generally facilitate the interpretation of the data. The *Economic and Financial Review* prepared by the RD of the ECCB elaborates on developments in the money supply, domestic credits, and net foreign assets for the current period (for the entire ECCU area and ECCU individual member countries) with charts and tables. The *Economic and Financial Review* also contains the accounts of the ECCB and commercial banks in a balance-sheet format in addition to that of the *Monetary Survey*.

While data on the ECCB are presented in the format of the *Central Bank Survey*, other monetary data are not presented in the format of surveys (*Other Depository Corporation Survey* and *Depository Corporations Survey*) which would have full instrument and sectoral breakdown of data and details on sectoral components of money and credit aggregates and which would provide users with more details needed for the analysis of depository corporations' activity, as recommended by the *MFSM*.

5.1.2 *Dissemination media and format are adequate*

The *Monetary Survey* and the accounts of the ECCB and commercial banks are disseminated in publications and posted on the ECCB website in PDF format, which permits users to redisseminate data to a third party. More comprehensive and detailed statistics are not disseminated in hard copy for electronic form.

Current data and time series of the *Monetary Surveys* and the accounts of the ECCB and commercial banks, which are published in the *Economic and Financial Review* and are disseminated on the ECCB website in the PDF format, are not downloadable as data series.

5.1.3 *Statistics are released on a preannounced schedule*

The ECCB posts on its website the periodicity of the statistical publications. However, it does not preannounce the dissemination schedule with specific dates. Nevertheless, the ECB is in the process of preparing a calendar for the dissemination of statistical data, to be posted on the ECCB website.

5.1.4 *Statistics are made available to all users at the same time*

There is no formal procedure to inform the public that the data have been released and how they can be accessed. The ECCB releases the monetary statistics to the Ministry of Finance, national statistical offices of each ECCU member country, and commercial banks—electronically on a monthly basis. The ECCB makes the monetary statistics available to the public via publications and posting on the website on a quarterly basis.

5.1.5 *Statistics not routinely disseminated are made available upon request*

Unpublished and non-confidential data are made available free of charge upon request. The availability of statistical information in addition to the officially released monetary data and the procedures for obtaining them are not made known to the public.

5.2 *Metadata accessibility*

5.2.1 *Documentation on concepts, scope, classifications, basis of recording, data sources, and statistical techniques is available, and differences from internationally accepted standards, guidelines, or good practices are annotated*

In the quarterly publication the *Economic and Financial Review*, the ECCB disseminates a short description of all indicators and aggregates used in the tables for monetary statistics. In addition, in the annual publication the *Financial Statistics Yearbook*, a short description of the balance sheet presentation of the accounts of the ECCB and commercial banks is publicized. These descriptions do not provide users with full information on the framework for the compilation and presentation of the ECCU's monetary statistics and important metadata details such as concepts, scope of the data, accounting conventions, nature of the data sources, and compilation practices. No documentation of differences from internationally accepted standards and good practices is available.

The ECCB links its website to the IMF's Dissemination Standard Bulletin Board (DSBB), where information is posted on data coverage, periodicity, timeliness, integrity, and quality for the six ECCU member countries that participate in the GDDS. The metadata posted in the DSBB have not been updated since August 2003.

It would be desirable for the SD to develop documentation on the procedures used in the compilation of monetary data (including the concepts, definitions, scope, classifications, basis for recording, and data sources) and post this documentation on the ECCB website.

5.2.2 Levels of detail are adapted to the needs of the intended audience

More detailed information on the monetary data is not available to the public. It would be desirable and useful for the ECCB to disseminate data on the central bank surveys for individual ECCU member countries and the other depository corporations survey, which would provide users with more detailed data for the analysis of the banking sector's activity.

5.3 Assistance to users

5.3.1 Contact points for each subject field are publicized

Prompt and knowledgeable service and support are available to users of the monetary statistics. The ECCB's statistical publications indicate contact phone/fax numbers and postal/email addresses. A link is provided on the ECCB's website to the GDDS metadata of six ECCU member countries, which include all necessary information about contact persons. The website also provides information regarding applications for regular subscriptions for monetary data and other statistics. Assistance to users is monitored and reviewed. The SD's internal guidelines specify five working days as the time period for responding to inquiries from users.

5.3.2 Catalogs of publications, documents, and other services, including information on any charges, are widely available

A list of periodic publications is available on the ECCB website. Prices of statistical products and services are not disclosed.

Table 1. Eastern Caribbean Central Bank: Data Quality Assessment Framework (July 2003): Summary of Results for Monetary Statistics
(Compiling Agency: Eastern Caribbean Central Bank)

Element		NA				Assessment				Comments
		O	LO	LNO	NO	O	LO	LNO	NO	
0. Prerequisites of quality										
0.1	Legal and institutional environment					X				The ECCB's responsibility for compiling and disseminating monetary statistics to the public is not clearly specified.
0.2	Resources					X				The number of staff is currently not adequate for the compilation of monetary statistics.
0.3	Relevance					X				Structured and periodic procedure of consultation with external data users is not in place.
0.4	Other quality management					X				Quality monitoring and data review need to be strengthened prior to the dissemination of final statistical aggregates.
1. Assurances of integrity										
1.1	Professionalism				X					The terms and conditions under which monetary statistics are collected, compiled, and disseminated are not available to the public. Data are released simultaneously to the Ministry of Finance, commercial banks, and national statistical offices of ECCU member countries, before monetary statistics is provided to the general public. This practice is not publicized by the ECCB.
1.2	Transparency									
1.3	Ethical standards				X					
2. Methodological soundness										
2.1	Concepts and definitions					X				Credit to domestic sectors other than central governments and private sector are presented on net basis in the dissemination of the monetary survey.
2.2	Scope					X				Institutional coverage of the ODCs is incomplete. Deposits collected by financial institutions other than commercial banks account for more than 7 percent of total deposits collected by the commercial banks.
2.3	Classification/sectorization					X				Sectoral and instrument classifications of monetary statistics is not in full compliance with the <i>MFSM</i> .
2.4	Basis for recording					X				Accrued interest is not incorporated in the value of underlying instruments. Valuation adjustments are included in unclassified liabilities.
3. Accuracy and reliability										
3.1	Source data					X				Source data for the accounts of commercial banks do not provide sufficient disaggregation needed for the compilation of monetary statistics recommended by the <i>MFSM</i> .
3.2	Assessment of source data				X					
3.3	Statistical techniques				X					

Table 1. Eastern Caribbean Central Bank: Data Quality Assessment Framework (July 2003): Summary of Results for Monetary Statistics
(*Compiling Agency: Eastern Caribbean Central Bank*)

Element	NA	Assessment				Comments
		O	LO	LNO	NO	
3.4 Assessment and validation of intermediate data and statistical outputs		X				
3.5 Revision studies		X				
4. Serviceability						
4.1 Periodicity and timeliness			X			Timeliness of the disseminated data on broad money and credit aggregates for the ECCU does not meet GDDS recommendations. There are consistency problems in the accounts of commercial banks vis-à-vis the central bank and the commercial banks' interbank positions. Users are not informed about the revised nature of the data. Studies and analyses of revisions are not provided to the public.
4.2 Consistency			X			
4.3 Revision policy and practice				X		
5. Accessibility						
5.1 Data accessibility			X			The ECCB does not disseminate data based on a preannounced schedule with specific dates.
5.2 Metadata accessibility			X			Detailed explanation of monetary statistics methodology, data coverage, and data sources is not available to users.
5.3 Assistance to users		X				

Table 2. Data Quality Assessment Framework—Generic Framework (July 2003 Framework)

Quality Dimensions	Elements	Indicators
<p>0. Prerequisites of quality</p>	<p>0.1 Legal and institutional environment—<i>The environment is supportive of statistics</i></p> <p>0.2 Resources—<i>Resources are commensurate with needs of statistical programs.</i></p> <p>0.3 Relevance—<i>Statistics cover relevant information on the subject field.</i></p> <p>0.4 Other quality management—<i>Quality is a cornerstone of statistical work.</i></p>	<p>0.1.1 The responsibility for collecting, processing, and disseminating the statistics is clearly specified.</p> <p>0.1.2 Data sharing and coordination among data-producing agencies are adequate.</p> <p>0.1.3 Individual reporters' data are to be kept confidential and used for statistical purposes only.</p> <p>0.1.4 Statistical reporting is ensured through legal mandate and/or measures to encourage response.</p> <p>0.2.1 Staff, facilities, computing resources, and financing are commensurate with statistical programs.</p> <p>0.2.2 Measures to ensure efficient use of resources are implemented.</p> <p>0.3.1 The relevance and practical utility of existing statistics in meeting users' needs are monitored.</p> <p>0.4.1 Processes are in place to focus on quality.</p> <p>0.4.2 Processes are in place to monitor the quality of the statistical program.</p> <p>0.4.3 Processes are in place to deal with quality considerations in planning the statistical program.</p>
<p>1. Assurances of integrity</p> <p><i>The principle of objectivity in the collection, processing, and dissemination of statistics is firmly adhered to.</i></p>	<p>1.1 Professionalism—<i>Statistical policies and practices are guided by professional principles.</i></p> <p>1.2 Transparency—<i>Statistical policies and practices are transparent.</i></p> <p>1.3 Ethical standards—<i>Policies and practices are guided by ethical standards.</i></p>	<p>1.1.1 Statistics are produced on an impartial basis.</p> <p>1.1.2 Choices of sources and statistical techniques as well as decisions about dissemination are informed solely by statistical considerations.</p> <p>1.1.3 The appropriate statistical entity is entitled to comment on erroneous interpretation and misuse of statistics.</p> <p>1.2.1 The terms and conditions under which statistics are collected, processed, and disseminated are available to the public.</p> <p>1.2.2 Internal governmental access to statistics prior to their release is publicly identified.</p> <p>1.2.3 Products of statistical agencies/units are clearly identified as such.</p> <p>1.2.4 Advance notice is given of major changes in methodology, source data, and statistical techniques.</p> <p>1.3.1 Guidelines for staff behavior are in place and are well known to the staff.</p>

Quality Dimensions	Elements	Indicators
<p>2. Methodological soundness</p> <p><i>The methodological basis for the statistics follows internationally accepted standards, guidelines, or good practices.</i></p>	<p>2.1 Concepts and definitions—<i>Concepts and definitions used are in accord with internationally accepted statistical frameworks.</i></p> <p>2.2 Scope—<i>The scope is in accord with internationally accepted standards, guidelines, or good practices.</i></p> <p>2.3 Classification/sectorization—<i>Classification and sectorization systems are in accord with internationally accepted standards, guidelines, or good practices.</i></p> <p>2.4 Basis for recording—<i>Flows and stocks are valued and recorded according to internationally accepted standards, guidelines, or good practices.</i></p>	<p>2.1.1 The overall structure in terms of concepts and definitions follows internationally accepted standards, guidelines, or good practices.</p> <p>2.2.1 The scope is broadly consistent with internationally accepted standards, guidelines, or good practices.</p> <p>2.3.1 Classification/sectorization systems used are broadly consistent with internationally accepted standards, guidelines, or good practices.</p> <p>2.4.1 Market prices are used to value flows and stocks.</p> <p>2.4.2 Recording is done on an accrual basis.</p> <p>2.4.3 Grossing/netting procedures are broadly consistent with internationally accepted standards, guidelines, or good practices.</p>
<p>3. Accuracy and reliability</p> <p><i>Source data and statistical techniques are sound and statistical outputs sufficiently portray reality.</i></p>	<p>3.1 Source data – <i>Source data available provide an adequate basis to compile statistics.</i></p> <p>3.2 Assessment of source data—<i>Source data are regularly assessed.</i></p> <p>3.3 Statistical techniques—<i>Statistical techniques employed conform to sound statistical procedures.</i></p> <p>3.4 Assessment and validation of intermediate data and statistical outputs—<i>Intermediate results and statistical outputs are regularly assessed and validated.</i></p> <p>3.5 Revision studies—<i>Revisions, as a gauge of reliability, are tracked and mined for the information they may provide.</i></p>	<p>3.1.1 Source data are obtained from comprehensive data collection programs that take into account country-specific conditions.</p> <p>3.1.2 Source data reasonably approximate the definitions, scope, classifications, valuation, and time of recording required.</p> <p>3.1.3 Source data are timely.</p> <p>3.2.1 Source data—including censuses, sample surveys, and administrative records—are routinely assessed, e.g., for coverage, sample error, response error, and nonsampling error; the results of the assessments are monitored and made available to guide statistical processes.</p> <p>3.3.1 Data compilation employs sound statistical techniques to deal with data sources.</p> <p>3.3.2 Other statistical procedures (e.g., data adjustments and transformations, and statistical analysis) employ sound statistical techniques.</p> <p>3.4.1 Intermediate results are validated against other information where applicable.</p> <p>3.4.2 Statistical discrepancies in intermediate data are assessed and investigated.</p> <p>3.4.3 Statistical discrepancies and other potential indicators or problems in statistical outputs are investigated.</p> <p>3.5.1 Studies and analyses of revisions are carried out routinely and used internally to inform statistical processes (see also 4.3.3).</p>

Quality Dimensions	Elements	Indicators
<p>4. Serviceability <i>Statistics, with adequate periodicity and timeliness, are consistent and follow a predictable revisions policy.</i></p>	<p>4.1 Periodicity and timeliness— <i>Periodicity and timeliness follow internationally accepted dissemination standards.</i></p> <p>4.2 Consistency— <i>Statistics are consistent within the dataset, over time, and with major datasets.</i></p> <p>4.3 Revision policy and practice— <i>Data revisions follow a regular and publicized procedure.</i></p>	<p>4.1.1 Periodicity follows dissemination standards. 4.1.2 Timeliness follows dissemination standards.</p> <p>4.2.1 Statistics are consistent within the dataset. 4.2.2 Statistics are consistent or reconcilable over a reasonable period of time. 4.2.3 Statistics are consistent or reconcilable with those obtained through other data sources and/or statistical frameworks.</p> <p>4.3.1 Revisions follow a regular and transparent schedule. 4.3.2 Preliminary and/or revised data are clearly identified. 4.3.3 Studies and analyses of revisions are made public (see also 3.5.1).</p>
<p>5. Accessibility <i>Data and metadata are easily available and assistance to users is adequate.</i></p>	<p>5.1 Data accessibility— <i>Statistics are presented in a clear and understandable manner, forms of dissemination are adequate, and statistics are made available on an impartial basis.</i></p> <p>5.2 Metadata accessibility— <i>Up-to-date and pertinent metadata are made available.</i></p> <p>5.3 Assistance to users— <i>Prompt and knowledgeable support service is available.</i></p>	<p>5.1.1 Statistics are presented in a way that facilitates proper interpretation and meaningful comparisons (layout and clarity of text, tables, and charts). 5.1.2 Dissemination media and format are adequate. 5.1.3 Statistics are released on a preannounced schedule. 5.1.4 Statistics are made available to all users at the same time. 5.1.5 Statistics not routinely disseminated are made available upon request.</p> <p>5.2.1 Documentation on concepts, scope, classifications, basis of recording, data sources, and statistical techniques is available, and differences from internationally accepted standards, guidelines, or good practices are annotated. 5.2.2 Levels of detail are adapted to the needs of the intended audience.</p> <p>5.3.1 Contact points for each subject field are publicized. 5.3.2 Catalogs of publications, documents, and other services, including information on any charges, are widely available.</p>

Appendix I. Users' Survey

Summary of Results of Survey of Data Users

With the cooperation of the Eastern Caribbean Central Bank (ECCB), the mission conducted a survey of users of monetary statistics compiled by the ECCB. The survey complemented the mission's assessment of the quality of the monetary statistics. Users were asked to evaluate the coverage, periodicity, and timeliness, of monetary statistics, as well as the dissemination practices of the ECCB. Questionnaires were sent to 51 users and 21 responses (41 percent) were received from users representing mainly banks, government agencies, and international organizations.

Users expressed general satisfaction with the overall quality of monetary statistics, noting that ECCB had made significant progress in this area over the past decade. Seventy-six percent of respondents indicated that they can easily access the official monetary statistics and felt that monetary statistics covered by the survey are unbiased and accurate. Seventy-one percent of respondents indicated that they are satisfied with the coverage of the monetary statistics. However, only thirty-three percent of respondents considered that the monetary statistics are disseminated with the appropriate timeliness.

Respondents primarily use the website (76 percent), email requests, and publications to obtain the monetary statistics, thus eliminating possible effects of reinterpretation of data. Many users reported using both publications (hard copy) and websites to access official statistics. Many users expressed concern about availability of information pertaining to monetary statistics with respect to explanatory notes, methodological descriptions, references concerning concepts and classifications. Only forty-three percent of users indicated that they can easily access this information. Twenty-nine percent of users were satisfied with the information on revisions to the official monetary statistics.

The mission did not organize a meeting with selected users to solicit detailed feedback on the responses to the survey because the majority of respondents were from other ECCU member countries (other than St. Kitts and Nevis).