

G-20 Data Gaps Initiative (DGI)—Overview of Progress in Implementation

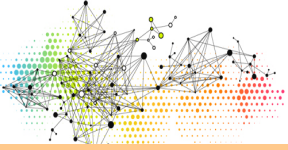
Global Conference on the G-20 DGI

June 16-17, 2015

Washington, D.C., USA

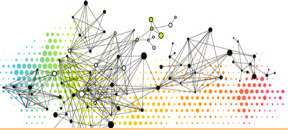
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Outline of the Presentation

- An overview
- Progress since 2009 by recommendation and by country
- Main messages on implementation emerging from the regional conferences
- Next Step: preparation of the Sixth Progress Report
- Summing up and key challenges ahead



G-20 DGI at Six Years: an Overview

The G-20 DGI has been a successful initiative, almost unique in its scope and implementation.

- Launched in 2009 by the FSB and the IMF at the request of the G-20.
- Twenty recommendations proposed under the DGI to close the information gaps revealed by the global financial crisis.
- Intensive consultations conducted to facilitate the implementations including bilateral meetings with G-20 officials, regional and technical meetings, and annual global conferences for senior officials.

G-20 DGI at Six Years: an Overview

- Significant progress has been made in implementing the 20 recommendations by the G-20 economies and the Inter-Agency Group on Economic and Financial Statistics (IAG).
- The majority of the recommendations are expected to be implemented by the end of 2015.
- Five progress reports submitted to the G-20 Finance Ministers and Central Bank Governors (FMCG); the sixth progress report to be submitted in September 2015.

G-20 DGI: The 20 Recommendations

	Conceptual/statistical framework needs development	Conceptual/statistical frameworks exist, but collection needs enhancement
Build-up of risk in the financial sector	<p># 3 Tail risk in the financial system and variations in distributions of, and concentrations in, activity</p> <p># 4 Aggregate Leverage and Maturity Mismatches</p> <p># 6 Structured products</p>	<p># 2 Financial Soundness Indicators (FSIs)</p> <p># 5 Credit Default Swaps</p> <p># 7 Securities Data</p>
Cross-border financial linkages	<p># 8 and # 9 Global network connections and systemically important global financial institutions</p> <p># 13 and # 14 Financial and Nonfinancial Corporations cross-border exposures</p>	<p># 10 and # 11 International Banking Statistics (IBS) and the Coordinated Portfolio Investment Survey (CPIS)</p> <p># 12 International Investment Position (IIP)</p>
Vulnerability of domestic economies to shocks	<p># 16 Distributional Information</p>	<p># 15 Sectoral Accounts</p> <p># 17 Government Finance Statistics</p> <p># 18 Public Sector Debt</p> <p># 19 (Real Estate Prices)</p>
Improving communication of official statistics		<p># 20 (Principal Global Indicators)</p>

Progress Since 2009 by Recommendation

	Conceptual/statistical framework needs development	Conceptual/statistical frameworks exist and ongoing collection needs enhancement
Build-up of risk in the financial sector	<ul style="list-style-type: none"> ● # 3 (Tail risk) ● # 4 (Aggregate Leverage and Maturity Mismatches) ● # 6 (Structured products) 	<ul style="list-style-type: none"> ● # 2 (FSIs) ● # 5 (CDS) ● # 7 (Securities data)*
Cross-border financial linkages	<ul style="list-style-type: none"> ● # 8 and # 9 (G-SIBs Data) ● # 13 (Financial and Nonfinancial Corporations cross-border exposures) ● # 14 (Non-bank financial Corporations cross-border exposures) 	<ul style="list-style-type: none"> ● # 10 (IBS&CPIS-Participation) ● # 11 (IBS&CPIS-Enhancement) ● # 12 (IIP)
Vulnerability of domestic economies to shocks	<ul style="list-style-type: none"> ● # 16 (Distributional Information) 	<ul style="list-style-type: none"> ● # 15 (Sectoral Accounts)* ● # 17 (GFS) ● # 18 (Public Sector Debt) ● # 19 (Real Estate Prices)
Improving communication of official statistics		<ul style="list-style-type: none"> ● # 20 (PGI)

- Completed.
- Significant progress made and close to completion.
- Relatively slow progress.

* These recommendations are considered complete based on the DGI recommendations, however more work is needed to ensure full implementation of the frameworks post 2015.



Progress Since 2009 by Country

	Rec. #2 FSIs	Rec. #5 CDS	Rec. #7 Securities Statistics	Rec. #10/11 (IBS)	Rec. #10/11 CPIS	Rec. #12 IIP	Rec. #17 GFS	Rec. #18 PSD	Rec. #19 Real Estate Prices
1 Argentina	Orange	Black	Green	Orange	Green	Orange	Red	Green	Red
2 Australia	Green	Green	Green	Green	Orange	Green	Green	Green	Green
3 Brazil	Green	Black	Green	Green	Green	Green	Orange	Green	Green
4 Canada	Orange	Green	Green	Green	Green	Green	Green	Green	Green
5 China	Orange	Black	Green	Red	Red	Green	Red	Green	Green
6 France	Green	Green	Green	Green	Green	Green	Green	Green	Green
7 Germany	Green	Green	Green	Green	Green	Green	Green	Green	Green
8 India	Orange	Black	Green	Green	Green	Green	Red	Red	Green
9 Indonesia	Green	Black	Green	Green	Green	Green	Orange	Green	Green
10 Italy	Green	Green	Green	Green	Green	Green	Green	Green	Green
11 Japan	Green	Green	Green	Green	Green	Green	Orange	Green	Green
12 Korea	Green	Black	Green	Green	Green	Green	Orange	Orange	Green
13 Mexico	Green	Black	Green	Green	Green	Green	Orange	Green	Green
14 Russia	Green	Black	Green	Orange	Green	Green	Green	Green	Green
15 S.Arabia	Orange	Black	Green	Orange	Red	Green	Red	Red	Red
16 S. Africa	Green	Black	Green	Green	Green	Green	Green	Green	Green
17 Turkey	Green	Black	Green	Green	Green	Green	Orange	Green	Green
18 UK	Green	Green	Green	Green	Green	Green	Green	Green	Green
19 US	Green	Green	Green	Green	Green	Green	Green	Green	Green
# of economies	14	all	all	15	16	18	9	16	17
# of economies	5	-	-	3	1	1	6	1	-
# of economies	-	-	-	1	2	-	4	2	2

* Recommendation 15 is not included in the table given that the target for completion of the DGI recommendation could be met without the provision of any data at this stage.



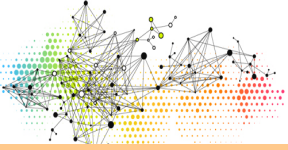
Main Messages on Implementation Emerging from the Regional Conferences

- All G-20 economies have continued to implement the DGI recommendations and have plans in place to complete them, reflecting national policy priorities.
- The importance of efficiently managing the costs, on the reporters and compilers, was underlined. The significant running costs in implementing the DGI recommendations were emphasized.
- DGI has helped strengthen the cooperation among the agencies.
 - Clearer designations of responsibilities for each sector of the economy by agency is emerging, allowing consistency of approach, including sector classifications to be adopted.



Main Messages on Implementation Emerging from the Regional Conferences

- Sectoral accounts and government finance statistics are among the main areas of focus where further work and resources are needed.
 - Countries are working to improve their sectoral accounts data, such as implementing the *2008 SNA* and developing quarterly data series.
 - GFS and public sector debt data are key to assessing fiscal sustainability but there are challenges in implementation.
 - ❖ These include challenges in compilation of data from local government particularly on a quarterly frequency, and treatment of accrual versus cash basis.
- The need to ensure consistency between the national accounts and GFS data was emphasized.



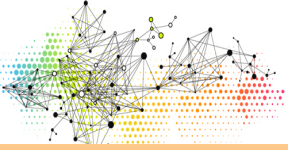
Main Messages on Implementation Emerging from the Regional Conferences

- Generally there has been progress in the availability of data on real estate price indices.
- Work is ongoing with regard to better coverage of nonbank financial institutions but,
 - there appears to be a need for improved coordination among regulators to get better and more complete information.
- While the analytical benefits are appreciated, developing foreign currency data is a longer term task.



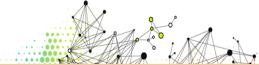
Main Messages on Implementation Emerging from the Regional Conferences

- Resources remain a main challenge to further progress, including financial/human resources, and practical compilation experiences.
- The development of a network of contacts to share experiences and knowledge, as well as conducting technical/thematic meetings, would be helpful.
- The demand for more granular data brings confidentiality issues. A workshop to share experiences both at the international and national levels was suggested.



Main Messages on Implementation Emerging from the Regional Conferences


- Having a communication and a dissemination strategy with main stakeholders proves to be very useful.
- Dissemination of long time series of data should be encouraged for analytical purposes even if data is not perfect.



Next Step: Preparation of the Sixth Progress Report

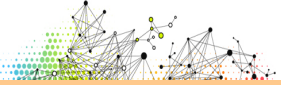
The content of the Report:

- In September 2014, the G-20 FMCG asked IMF Staff and the FSB Secretariat to report in the Fall of 2015 **highlighting the progress made** and including a **proposal for a second phase** of the initiative.
- On the **progress made**, the Report will contain:
 - An overview of the progress in implementation
 - Individual country pages with the listing of national contacts
 - A box on progress by non G-20 economies.



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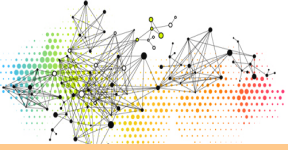
- On the **proposal for a second phase**, the Report will include a proposal for a set of recommendations
 - **Agreeing these recommendations will be the main focus of the Conference.**



Next Step: Preparation of the Sixth Progress Report

Timeline for key actions:

- June 16-17: Discussion on the proposal for the second phase recommendations at the Global Conference.
- June 18-July 13: Preparation of the draft report.
- July 14: Draft report to be sent to the G-20 economies for comments.
- July 31: Comments due from the G-20 economies.
- August 25: Report to be submitted to the G-20 Secretariat.
- September 4-5: G-20 FMCG Meeting; endorsement on the DGI expected from the FMCG through the Communiqué.



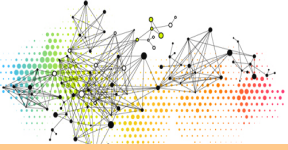
Summing Up and Key Challenges Ahead

- The G-20 DGI has mobilized the G-20 economies to
 - improve data availability;
 - generated closer inter-agency cooperation; and
 - achieved strong high-level political support.

This momentum needs to be maintained to complete the DGI.

- Implementation of the DGI required adequate resources and close coordination among international agencies (IAG), member countries, and various agencies within countries;

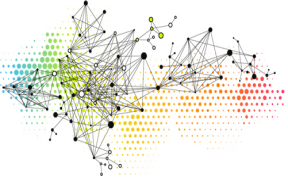
Continued support by all involved is essential.



Summing Up and Key Challenges Ahead

- The DGI has brought benefits to policymaking at the national and international levels;

Further efforts are needed to enhance the policy use of the DGI data and obtain continued political support.



Thank you