

IMPLEMENTING THE G-20 DATA GAPS RECOMMENDATIONS

Recommendation 2:

Financial Soundness Indicators

The IMF to work on increasing the number of countries disseminating Financial Soundness Indicators (FSIs), including expanding country coverage to encompass all G-20 members, and on other improvements to the FSI website, including preferably quarterly reporting. FSI list to be reviewed.

Current Status—FSI data Reporting

- Current FSI reporters: 52 countries, with data/metadata posted on IMF website
- All non-reporting countries have been invited to participate in FSI reporting
 - 58 additional countries have agreed to participate
 - Three G-20 countries are currently not reporting FSIs (Japan recently agreed to participate)
- STA will continue to provide technical assistance/training to assist countries with their reporting of FSIs
- STA MFS missions expanded to include FSI component

Current Status—FSIs for SDDS and GFSR

□ **FSIs for inclusion in SDDS**

- Approval in March 2010 by the IMF Board to include 7 FSIs as a new data category in SDDS on an encouraged basis
- Technical work is underway to make these FSIs available through the SDDS

□ **FSIs in GFSR to be integrated into FSI project**

- GFSR FSIs will become by-product of overall IMF FSI Project
- Collection and preparation of FSIs for inclusion in April 2011 issue of GFSR nearly completed
 - Work focused on 50 non-FSI reporters included in GFSR; and
 - Work with 52 current reporters to obtain time series data
- Work to commence in mid-2011 on October 2011 issue of GFRS

Current Status—Action plans

□ **Short-term (Remainder of 2011)**

- Improve the FSI database and website
- Encourage remaining G-20 countries and other invited countries to report FSIs to STA
- Provide training on FSIs to national compilers
- Encourage reporting of time series FSIs and improve data frequency
- Work on full inclusion of selected FSIs into the SDDS
- Complete preparatory work for review of the list of FSIs and methodology for compiling them in advance of FSI Reference Group meeting (tentatively planned for November 2011)

□ **Medium to longer term**

- Expand the use of FSIs in other Fund publications (FSAP reports, Vulnerability Exercises, and staff reports)
- Review list of FSIs included in GFSR to align more closely with SDDS requirement

Issues for discussion

- ❑ Modalities to urge remaining three G-20 countries to participate in FSI project
- ❑ Increasing need for training as many countries lack expertise in FSI methodology
- ❑ Encourage greater periodicity in FSI compilation (at least quarterly frequency)
- ❑ Views on the key issues to address at FSI Reference Group Meeting