Case study 2

Workshop of Quality on Statistics for SDG

13-15, May 2019

Chiba, Japan

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| Table 2a. Assessment of Data Quality—Dimensions 0 and 1—Central Bank of Erehwon |
| **0. Prerequisites of quality** | **1. Assurances of integrity** |
| **Legal and institutional environment**The compilation of external sector statistics (ESS) and monetary statistics is supported by the *Banking Law* (Royal Decree No. 114/ 2000, December 2000 that was amended by Royal decree 69/2012 dated December 6, 2012) and *Statistical Law* (Royal Decree No. 21/2001), which includes: (i) provisions that empower the CBE to collect data from the central bank and banks, but does not explicitly mandate data collection from non-financial corporations; and (ii) provisions that govern the confidentiality of individual data, including sanction. Application of *Statistical Law* to the CBE macroeconomic data collection and dissemination would be further reinforced by explicit recognition in the *Banking Law* of the CBE responsibility to compile and disseminate ESS and monetary statistics. Inter-agency cooperation is broadly adequate; however the CBE legal mandate can be further strengthened.**Resources**Staff resources allocated to compilation of monetary statistics is sufficient to perform existing tasks. Increase in staff resources is needed for development of external sector stock data and implementation of new international standards. Elaborated CBE annual performance review procedures, talent management and knowledge exchange initiatives together with extensive training programs enhance efficient use of human resources. Computer and financial resources are adequate.**Relevance**There is an ongoing process to monitor market developments and identify gaps in data collection. The CBE regularly conducts seminars targeted at principal data users, which include academia, to inform them of the specific aspects of current data, the usefulness of existing statistics, and to identify emerging data needs. From these seminars, the CBE received feedbacks and monitors the usability of the published ESS and monetary statistics. Updates to international standards are also monitored (e.g., an action plan exists for *BPM6* implementation).**Other quality management**The CBE vision emphasizes the provision of timely statistics without compromising the quality. CBE managers are aware of the trade-offs between accuracy and timeliness of statistics, in the event of a trade-off between timeliness and accuracy/reliability, the latter is given priority. The CBE has implemented all of the key recommendations on monetary statistics made by the 2004 ROSC. | **Institutional integrity** Statutory provisions in the *Banking Law* (Article 6 and Article 8A) provide the legal basis for institutional independence and professionalism followed by the *Code of Ethics* that states that employees shall apply their professional skills, judgment, care, and due diligence to the best of their ability at all times with honesty and integrity, and hold these above personal considerations.In 2012, the integrity of statistical compilation was further reinforced by establishing the NCSI as the major source data provider agency for ESS. The choice of sources and methods is based solely on statistical considerations.**Transparency**Public availability of the *Banking Law* and the *Statistical Law* foster transparency. Somewhat limited written information is available to the public about the terms and conditions under which the statistical series are compiled on the DSBB website. However, staff are available to respond to specific inquiries regarding metadata. The acknowledgement of internal governmental access to statistics prior to their release is available on DSBB website. Data released to the public are clearly identified as the product of specific data producing agency. For monetary statistics, advance notice is not usually provided to the public to inform of major changes in methodology, source data, and statistical techniques. For ESS, the CBE has introduced the practice to provide formal advance notice of major changes in methodology or source data.**Ethical standards**The CBE has a comprehensive set of ethical standards outlined in the CBE *Code of Ethics* complemented by the CBE *Staff Regulation*. Both regulations are available to all staff. Any conflicts are resolved via the CBE Grievances Committee. |

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| Table 3f. Assessment of Data Quality—Dimensions 2 and 5—External Sector Statistics |
| **2. Methodological soundness** | **3. Accuracy and reliability** | **4. Serviceability** | **5. Accessibility** |
| **Concepts and definitions**ESS broadly follow the fifth edition of the *Balance of Payments Manual* (*BPM5*). To adhere to *BPM6*, recording of selected goods and FDI transactions should be fine-tuned.**Scope**The BOP scope is broadly consistent with international standards; however several deficiencies remain, mainly related to private sector transactions and stocks, FDI, and goods and services. **Classification/sectorization**Classification and sectorization are broadly in line with *BPM5* guidelines, shortcomings include classification of selected goods, insurance services, and transactions of the sovereign wealth funds.**Basis for recording**For the most part, transactions data are valued at market prices. A number of transactions are recorded on an accrual basis in accordance with BPM5. In most cases, where transaction estimates are derived from the stock data, rough valuation adjustments are estimated. | **Source data**Coverage of compilation program is insufficient. Enhancement of banking reporting system and introduction of new surveys to cover gaps in recording goods and services components and in stocks statistics are needed. Timeliness of source data supports annual but not quarterly compilation.**Assessment of source data**The CBE staff ensure consistency with the requirements of the BPM5 through coordination/ discussions with the primary source data providers and developed procedures to adjust source data.**Statistical techniques**Generally, data compilation employs sound statistical techniques to deal with data sources, however several benchmark collections are to be updated and there are limited sources to make adjustments to source data. **Assessment and validation of intermediate data and statistical outputs**Intermediate results are validated against other independent data sources when possible. **Revision studies**Formal revision studies and analyses are not conducted, while internal monitoring and analysis are performed. | **Periodicity and timeliness**Balance of payments statistics are disseminated annually with six months timeliness, which adheres to the GDDS recommendations. Quarterly balance of payments estimates are compiled for internal purposes (an input to GDP). Data for comprehensive IIP is under development.**Consistency**Balance of payments data are consistent internally and over time and generally consistent or reconcilable with other datasets.**Revision policy and practice**In recent years, the revision policy and practice has been refined. Data for a new year are preliminary and subject to revisions during the following year. Public is informed of revisions via explanatory notes included in the CBE’s Annual Report. Formal studies and analyses of revisions have not been carried out. | **Data accessibility**Data are disseminated in accordance with BPM5 standard components. Supplementary publications on specific components are available. Separate ESS publication is to be considered. Work is ongoing to ensure dissemination of time-series in database format. A schedule announces in advance the approximate date the statistics are to be released, although there is no precise date.**Metadata accessibility**The balance of payments metadata are published on the IMF’s DSBB website and the country notes section in the Balance of Payments Statistics Yearbook, Part 3. Separate publication on ESS data sources and methods is considered. **Assistance to users**A “Feedback” box is posted on the CBE website for comments/questions of users. The ERSD is specified as an entry point for the data queries. Contact information is also provided on the IMF’s DSBB website. |