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STRENGTHENING INTERNATIONAL STATISTICAL COOPERATION

Inter-Agency Task Force on Finance Statistics

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of the Inter-Agency Task Force on Finance Statistics (Convener: International Monetary Fund), which is contained in the annex. The report is transmitted to the Commission in accordance with a request of the Statistical Commission's Working Group on International Statistical Programmes and Coordination at its sixteenth session (Geneva, 13-16 September 1993) (E/CN.3/1994/2, para. 11).

* E/CN.3/1994/1.

Annex

REPORT OF THE INTER-AGENCY TASK FORCE ON FINANCE STATISTICS

I. INTRODUCTION

1. The Inter-Agency Task Force on Finance Statistics was mandated by the United Nations Statistical Commission's Working Group on International Statistical Programmes and Coordination to pursue the following objectives:

(a) To determine work being done by international organizations on methods, collection, compilation, processing, dissemination, technical assistance, and cooperation;

(b) To assess problems, duplication, weaknesses, imbalances and gaps;

(c) To study how to carry out an evaluation of the database maintained by international organizations.

2. For the purposes of the Task Force, finance statistics were defined as balance of payment statistics; external debt statistics; money and banking statistics; government finance statistics; and other financial statistics for which some international organizations have developed a role in setting standards and compiling statistics.

3. The participants in the Task Force were: the Bank for International Settlements (BIS); the Statistical Office of the European Community (Eurostat); the International Monetary Fund (IMF) (Convener); the Organisation for Economic Cooperation and Development (OECD); the World Bank; and the Statistical Division of the United Nations Secretariat (UNSTAT).

II. ACTIVITIES OF THE TASK FORCE

4. In December 1992, the IMF Statistics Department conducted a survey of international organizations of bodies involved in compiling and/or publishing data in the area of financial statistics. 1/ The organizations were asked about their involvement in financial statistics and their views on possibilities for better coordination and cooperation. Two more specific surveys followed, one on data collection and the other on data transformation and dissemination. The IMF Statistics Department also prepared a report entitled "The scope of strengthening cooperation in finance statistics between international organizations".

5. A preliminary discussion of the survey results and of the report of the IMF Statistics Department took place in April 1993 at a meeting of the IMF Committee on Balance of Payments Statistics. Similar discussions were held with members of the International Working Group on External Debt Statistics. In June 1993, the first meeting of the Task Force was convened, focusing on money and banking statistics. A second meeting of the Task Force, focusing on government finance

statistics, was to have been convened early in December 1993 but was cancelled because of travel budget constraints on some of the organizations invited.

6. A report of the Task Force on its activities and findings was discussed by the Working Group on International Statistical Programmes and Coordination at its sixteenth meeting and by the Subcommittee on Statistical Activities of the Administrative Committee on Coordination at its twenty-seventh session, both held in September 1993.

7. The survey results and the above-mentioned IMF report, together with a summary of the conclusions of the first meeting of the Task Force, were sent to governors of central banks, ministers of finance and heads of statistical offices in a large number of countries. Many of those authorities have responded, reflecting a widespread interest in such issues as the harmonization of concepts, the sharing of data, data transformation, and coordination. Those who were to have participated in the meeting were requested to submit their views in writing instead.

III. CONCLUSIONS

8. The principal conclusions that have emerged from the Task Force's inquiries thus far are: (a) the participating organizations have acknowledged the potential for duplication and overlap in data collection; (b) few of the international organizations report much involvement in technical cooperation or assistance to address the problems caused by data transformation; and (c) the documentation available on the publications of the international organizations is not sufficient to allow users to identify how national and international data sources are interrelated.

9. The IMF Balance of Payments Statistics Committee has observed that there is a need to improve coordination among the international organizations and the different departments within them when they are requesting statistical information from countries. It has also expressed the view that countries should be informed of any changes made by the international organizations to the data that countries have submitted to them.

10. At the meeting in June 1993 focusing on financial statistics, it was observed that it was primarily the IMF and to a lesser extent Eurostat that transformed national data into internationally comparable statistics. The Task Force has concluded that there has been a considerable and probably increasing degree of data-sharing of finance statistics among international organizations, especially through the use of electronic media by the industrial and major developing countries. However, it has also been noted that there is a need to improve the documentation of recent publications and sources of data, particularly in areas in which the interests of international organizations overlap.

11. In their response to the Task Force inquiry, national authorities have emphasized the importance of reaching general agreement on how to improve coordination and harmonization in data collection by the international organizations. In that respect, the Task Force is seen as a welcome initiative.

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However, while data sharing has been welcomed as a device for alleviating the response burden, the view has also been expressed that harmonization should not take place at the expense of the requirements in specific areas of statistics that arise from differences in focus. It has been noted that second stage transformations by indirect recipients can reduce the quality of data; if the nature of such transformations is not clear, the link with the original data is sometimes difficult to establish. Appropriate documentation is an essential requirement for overcoming the resulting lack of transparency and enhancing the international comparability of data.

12. The responses received to date to the invitation for international organizations to present their views on coordination in the area of government finance statistics do not yet permit any general conclusions to be drawn. However, one particular that the responses do have in common is the demand for data for separate levels of government.

IV. FUTURE PLANS

13. Although the Task Force has been able over the past year to achieve significant results in investigating financial statistics and mapping international data flows, much has still to be done to achieve improved coordination. Among other things, efforts will have to be made to improve the harmonization of data and the efficiency of its collection and dissemination. Further attention should also be given to the coordination of technical assistance.

14. One specific conclusion of the Task Force that needs to be followed up is the need to assess current data-reporting arrangements. As to coordination with other institutions, the recommendation that the Task Force should coordinate with the Committee of Governors Working Group on Statistics of the European Community should be followed up, and common positions with respect to the harmonization of money and banking statistics (and possibly also capital flows) should be identified.

15. Other issues that could be considered include the desirability of setting standards for electronic data transmittal and the extent to which harmonization with internationally accepted standards in other areas, such as national accounts and balance of payments statistics, should be pursued.

V. POINTS FOR DISCUSSION

16. The Commission may wish to consider the following points for discussion:

(a) Data sharing is seen as a possible way to improve the effectiveness of data collection. On the other hand, it may entail a loss of transparency of data. How can those objectives be reconciled?

(b) The harmonization of methodologies is seen as a way to enhance the comparability of data and the efficiency of the collection process. But a lack

of focus on specific areas may result. How far should harmonization go to achieve an optimal situation?

Notes

1/ The survey covered UNSTAT, the United Nations regional commissions, the World Bank, IMF, OECD, Eurostat, BIS and the regional development banks. For balance of payments statistics, a questionnaire was also sent to the United Nations Conference on Trade and Development, the World Tourism Organization, the Geneva Agreement on Tariffs and Trade, the Arab Monetary Fund, and the United Nations Centre on Transnational Corporations.
