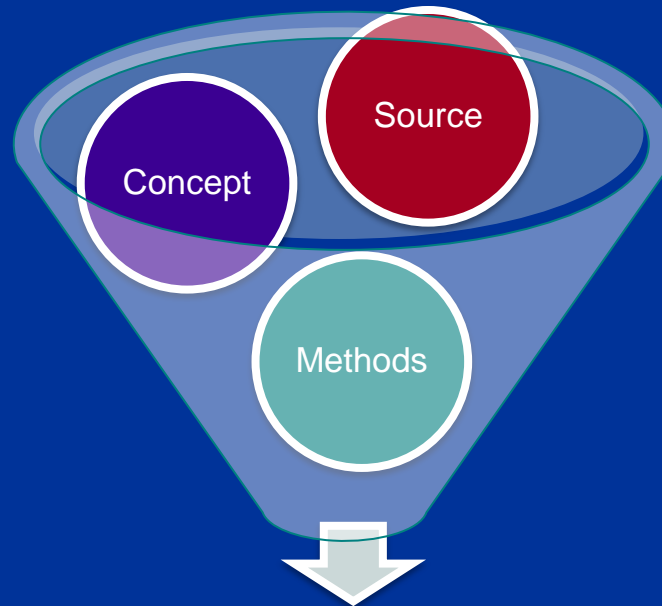




EUROPEAN CENTRAL BANK

EUROSYSTEM

The use of non-official sources in international statistics?



Comparable international economic and financial statistics

Werner Bier and Per Nymand-Andersen

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Agenda

- 1 **Role and function of international organisations**
- 2 **Two practical examples of the issue**
- 3 **Enhancing quality for sound decision making**
- 4 **Discussion and way forward**

飲水思源 (yin-shui-ssu-yüan)

“When you drink water (of the spring), think of its source”.

Chinese proverb related to “Gratitude”

1 Role & function of international organisations

- **Serve international policy needs with comparable national, regional (e.g. G20) and global aggregate statistics**
- **Define concepts and methodology, collect statistics from official national sources, make quality assurance, produce and release international comparable statistics and aggregates**
- **Data sources originate from the national statistical offices or national central banks**
- **International organisations follow similar fundamental principles as official national statistics, have similar quality frameworks**



It is a well functioning symbiosis

International statistical standards concepts and definitions

- System of National Accounts (SNA08)
- Balance of Payments Manual (BPM6)



Reporting templates (transmission programmes) methodological guidelines

- Detailed specifications of methodology to be applied for a statistical field; for instance, in our example:
- Debt securities
- **This** is always a subset – a selection - of concepts and definitions from the international statistical standards



National reporting templates national methodology

- Valuation method: nominal values; market values.
- Maturity classification of short term debt securities :
Up to 1 year;
up to 1.5 years
- Etc.

Practical example of the issue

- National **reporting templates** may be sufficient for national policy purposes but are they aligned for comparing across countries and regions for multilateral surveillance purposes?

Should international organisations always present official national statistics as supplied by national sources?

- ✓ The straightforward and traditional answer to this is

YES!



But, in some cases, what are we comparing?



Practical example of the issue

- Lets take **few** selected examples for recording debt securities

Methodology concept	Different national reporting templates may impact the comparability of international statistics		
Valuation	nominal value	market value	
Debt securities reported	original maturity	residual maturity	
....
Sector classifications	international standards	national sector classifications	breakdown of sectors into sub-sectors



Which bar should be used in international statistics?



- How can international organisations **present national statistics** when there are **differences in concepts and methods**?

What are the options?

#	Options	Impact
1	Publish blank value	➔ not sufficient
2	Publish national statistics	➔ presenting less comparable statistics
3	Estimate/adjustments	➔ presenting more comparable statistics
4	Alternative sources + adjustments	➔ Possibly higher comparability

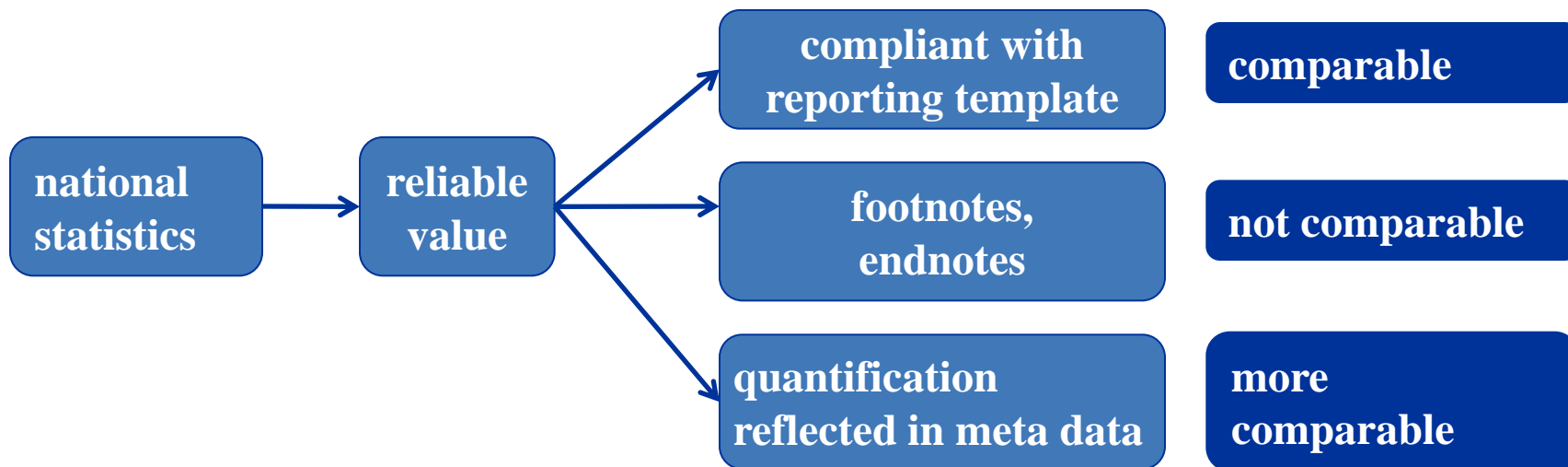


How to serve best the international policy user?

- Which option serves international policy needs best?
- *If we disregard the case of “blanks”, we have three other options!*

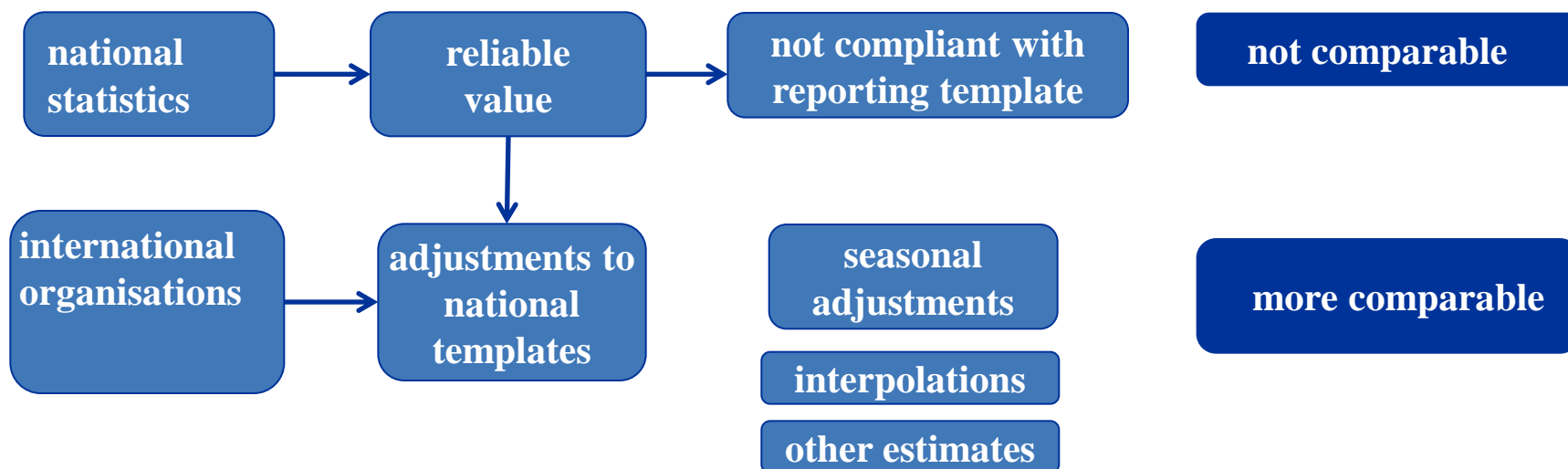
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Publish national statistics according to national templates



3

Publish adjustments to national statistics
In case, this cannot be done at source level



4

Alternative sources + adjustments



Practical example of the issue

- Does the same options apply, when international organisations release regional and global aggregates (e.g. G20 GDP)?

What are the options?

#	Options	Impact
1	sum of the national statistics	➔ <u>same 3 options</u> ; For example debt securities issued within a region
2	national contributions used as input to aggregates	➔ different production flow and adjustments need; for example regional/global GDP or regional import/export

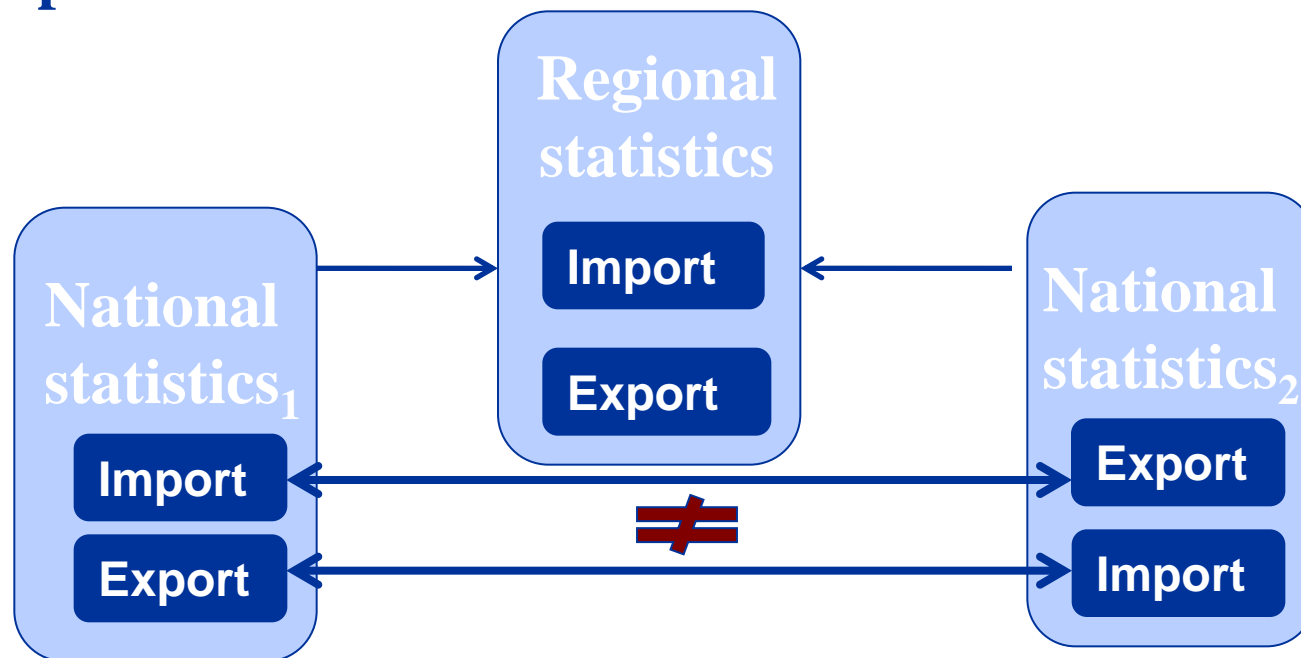


How to assess the health of the economy?

Practical example of the issue

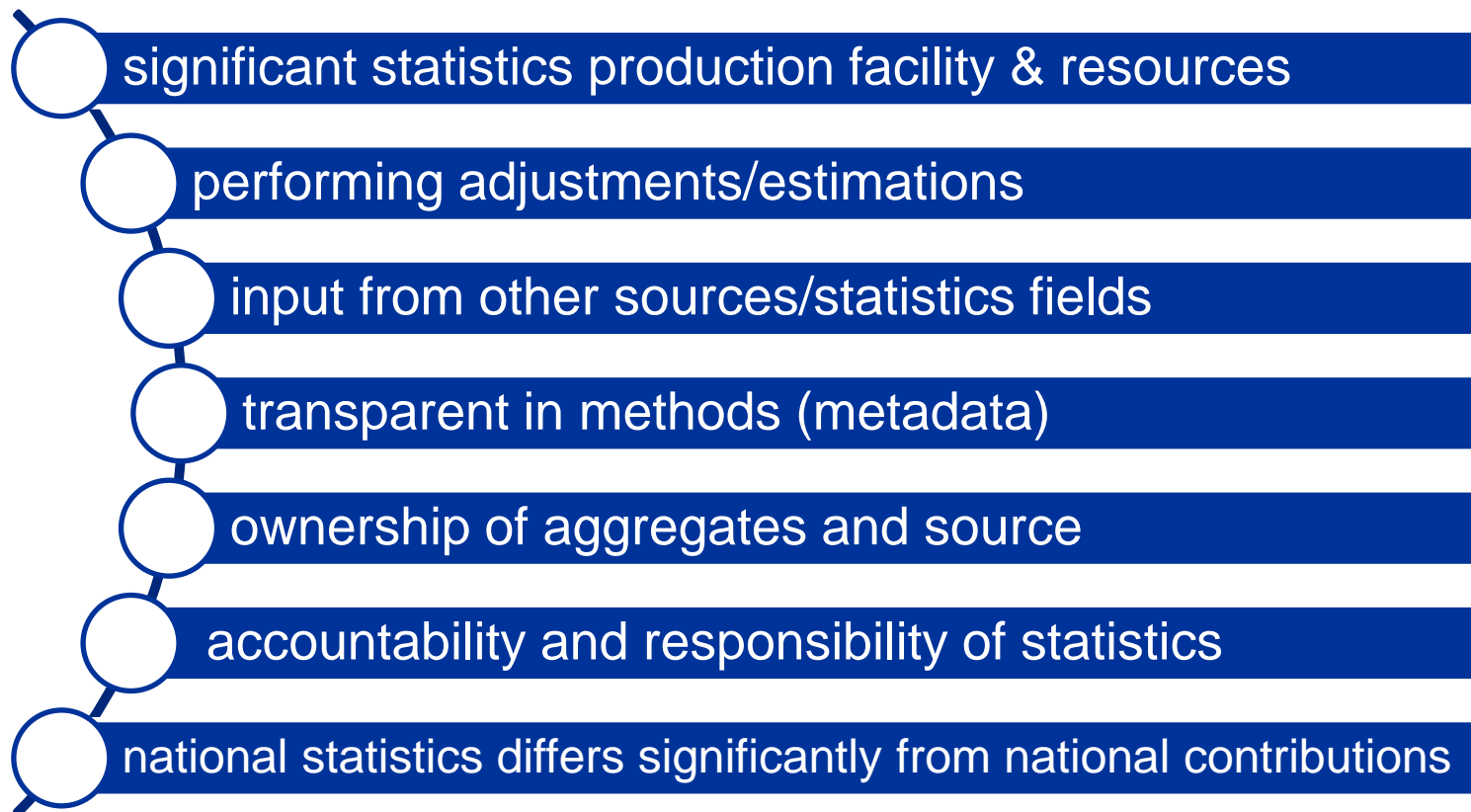
- **One** example for comparable statistics for an economic area
G20 GDP or a region's import/export values

- Far beyond the sum of national statistics, as all intra-area imports and exports need to be netted out



- The netting operations and quality assurance become significantly more complex per added country and per breakdown !

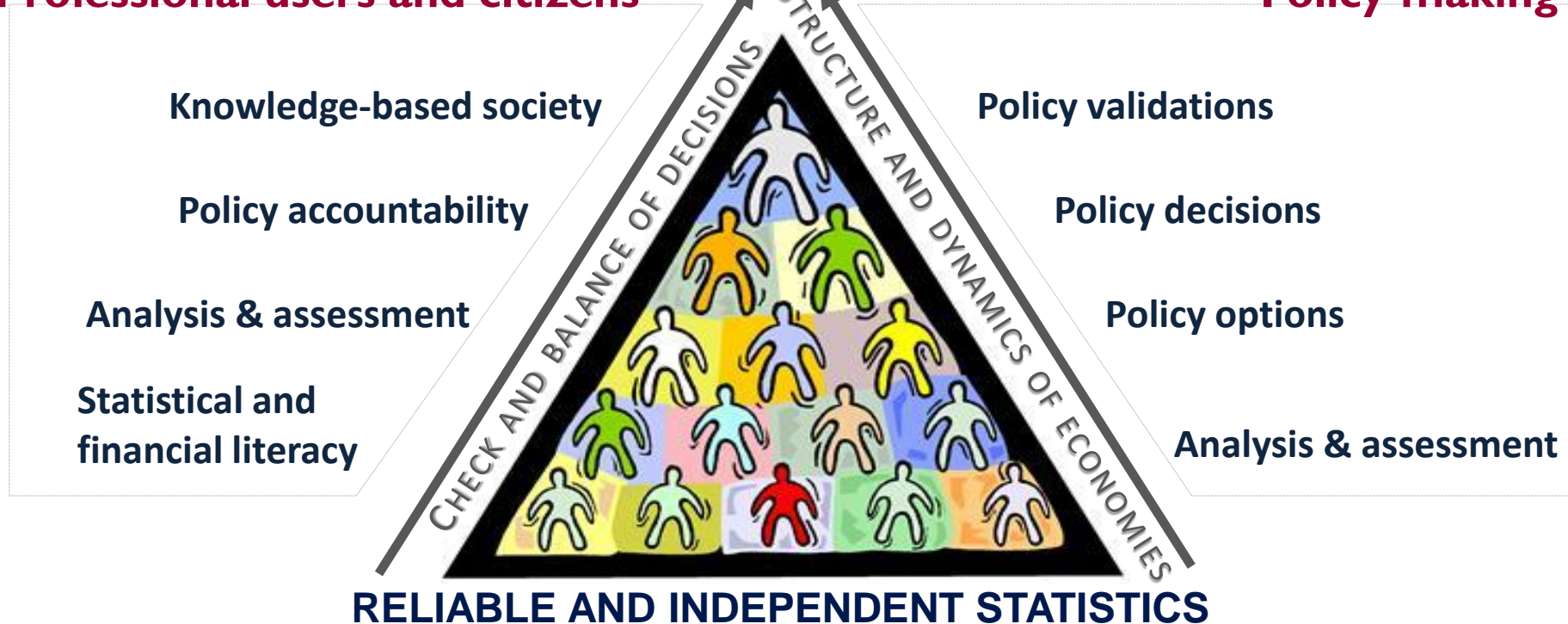
International organisations perform adjustments and estimations as part of creating regional statistics



Good sustainable decisions

Professional users and citizens

Policy-making



“Statistician’s role is to provide reliable statistics which is easily understood and accessible for policy making and for building public support ensuring prudent policies”

Discussion and way forward

Should international organisations always present official national statistics as supplied by national sources in case **different concepts** and **methodologies** are applied at national level?

➤ The straightforward and traditional answer to this is = **YES**

1. **Though** there are cases for multilateral surveillance where **adjustments are needed**, if not done at national level;
2. **Examples of regional/global statistics** where this is done;
3. **Multilateral surveillance increases in importance with an increasing focus on the comparable international statistics**



what do we want to compare ?



Summary – three take aways!



Increasing policy focus on multilateral surveillance

New equilibrium for quality assurance between national and international statistics



International reporting templates need further enhancements and

Increase governance to assure comparable international statistics!



There are cases, where adjustments or other sources could be used

International organisations need to step up their capacities to provide comparable statistics and aggregates.

The use of non-official sources in international statistics

Questions?

Q&A



好友如近亲 - A good friend is the nearest relation