



INTERNATIONAL MONETARY FUND
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Mr. Paul Cheung
Director
UNSD

Dear Paul,

Following-up on my earlier e-mail of September 10 on your September 3 letter, here are some detailed comments on the proposed NQAF that I would like to bring to your attention. I am pleased that we have an opportunity to comment.

We believe that the IMF's Data Quality Assessment Framework (DQAF) was discounted somewhat too quickly. Your letter and the draft Canadian report state that a generic framework does not yet exist, which can be used by countries to introduce new data quality assurance procedures or to systematize those currently in use. We feel that the DQAF, which was developed in consultation with the international statistical community and draws on our experience in macroeconomic statistics, provides such a framework.

The DQAF represents an internationally recognized framework for assessing data quality and it has shown itself to be integrated, flexible in terms of scaling up or down, and comprehensive. It is rooted in the UN Fundamental Principles of Official Statistics.

As noted in paragraphs 26-27 of the Canadian draft, in addition to the generic DQAF, data-specific DQAF modules have been developed covering seven macroeconomic statistical areas (<http://dsbb.imf.org/Applications/web/dqrs/dqrsdqaf/>). Furthermore, in collaboration with the World Bank, a DQAF module on household income in a poverty context has also been developed. It is our understanding that a DQAF module for the new ICP round was recently developed by the World Bank.

The DQAF was approved by the IMF Executive Board, which represents over 180 countries. Thus, in recent years, IMF technical assistance in statistics has been provided using the DQAF framework as a guide to structure data assessments and related recommendations. As a result, the Data Module of the Reports on the Observance of Standards and Codes (Data ROSCs) have been conducted since 2001, through the application of the DQAF (Data ROSCs applied the updated DQAF beginning in July 2003).

Thus far some 100 Data ROSCs, covering almost 80 countries, have been published using the DQAF (a complete list of published Data ROSCs is available here:

<http://www.imf.org/external/np/rosc/rosc.asp?sort=topic#DataDissemination.>)

The most recent Data ROSCs were done for Turkey and Costa Rica. You might be interested to know that the Annual Meetings of the World Bank and the IMF this week confirmed a very high interest of G-20 countries. In fact, the next Data ROSCs will cover Mexico, Brazil, Russia, Australia and Korea.

The DQAF grew out of the 1996 Special Data Dissemination Standard (SDDS) and the 1997 General Data Dissemination System (GDDS)---the IMF's initiatives on data dissemination. The DQAF framework has been used in the context of these initiatives to assist countries assess the quality of data used for macroeconomic and social policies. Out of 186 IMF member countries, 160 countries (about 85 percent of the membership) participate in the GDDS or subscribe to the SDDS. All 64 SDDS subscribers provide metadata that are published and searchable on the IMF's Data Standards Bulletin Board (<http://dsbb.imf.org>), using a DQAF format and codes. Countries participating in the GDDS also use the DQAF to prepare their plans for statistical improvement and to request technical assistance. In the latest review of the Fund's data standards initiative in December 2008, the IMF's Executive Board approved the alignment of the GDDS with the SDDS.

PARIS21 has adopted the DQAF to help improve data quality in its statistical capacity building exercise, which provides a means for countries to identify the strengths and weaknesses of their national statistical systems and to monitor their progress in building statistical capacity. PARIS21 focuses its efforts on encouraging all low-income countries---through its regional programs, advocacy efforts, and partnership and reporting activities---to design and implement National Strategies for the Development of Statistics (NSDS) and to have nationally-owned and produced data for all Millennium Development Goal indicators. In these efforts, the DQAF has provided a useful framework.

The draft report by Statistics Canada (Report) mentions that the proposed NQAF take place within the more general context of quality management. As a fully integrated framework, the DQAF allows the user to choose between applying the framework at various levels, ranging from a broad overview to a detailed level, to review the specifics of data quality. The DQAF provides a structure for assessing existing practices against best practices, including internationally accepted methodologies. It has proved to be valuable to users and guide country efforts e.g., to prepare self-assessments and to guide data users in evaluating data for policy analysis or forecasts. It is not useful to dismiss it as a "process oriented quality assessment tool".

The draft report focuses almost exclusively on a National Statistical Office. While this focus is appropriate for social statistics in most countries, macroeconomic statistics are usually shared responsibilities across agencies, especially with ministries of finance and central banks. Developing a NQAF may work for a single agency whose mission is mainly to compile and disseminate statistics, but the important inter-sectoral linkages and cross-agency issues may be overlooked. It worth noting that the main mission of these ministries and central banks is not to compile and disseminate statistics. In addition, a framework that mostly ignores human resource and communications constraints would be severely handicapped. Fortunately, the DQAF does not suffer from these disadvantages, rather it explicitly addresses these issues. The DQAF not only addresses "individual surveys, but also the complete statistical program and the infrastructure supporting it", and the contextual environment.

Based on all this, we strongly endorse the proposal from ESCAP in their comments to refocus the Canadian paper to do a stocktaking and help UNSC decide how useful the existing frameworks are for developed and developing countries, and whether and why something new might need to be developed. Again based on the around 50 meetings with mainly emerging and developing countries we had at the Annual Meetings, resources in those NSOs are a major issue.

Therefore, we more specifically suggest that the Canadian draft report and UNSD proceed as follows. First, place any data quality assurance framework in the overall context of the DQAF structure, to enhance international comparability. This would continue to use the DQAF structure, as the internationally agreed and applied framework for assessing and ensuring data quality. Then, within this context, develop an NQAF specifically for NSOs. In fact, Eurostat's quality framework should be looked at thoroughly in this context.

We would note that the features of the DQAF can be reorganized in almost infinite and sensible ways, as demonstrated by the review of similar efforts by EUROSTAT, OECD, and national statistical agencies. Nevertheless, we believe that the value-added of this project is not to re-invent the quality assessment framework "wheel", but to provide NSOs with a standardized set of guidelines and a framework to develop and enhance their data quality efforts. In this sense, explicit linkages to the GDDS (especially the national plans for statistical improvement) and SDDS data dissemination initiatives also could prove useful.

Please do not hesitate to get in touch with me if you have any questions. I look forward to our continuing cooperation.

Sincerely yours,

sig. Adelheid

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