

Implementation of DQAF for
Government Finance Statistics-
Kenya's experience

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Introduction

- Development of DQAF for macroeconomic statistics in Kenya was spearheaded by the IMF as part of requirement for GDDS and e-GDDS
- Process took about 24 months
- Focused on the macroeconomic areas of:
 - National Accounts Statistics
 - Balance of Payments and External Trade
 - **Government Finance Statistics**
 - Additional DQAFs in the process of being developed, MFS

Introduction cont'

- DQAF has the following Key players- Members of the Tech Working Group on GFS

 - KNBS- GFS unit- Coordinator
 - National Treasury
 - Budget Dept
 - Economic affairs Dept
 - Accountant General
 - External Resources Dept
 - Debt Management Dept
 - Dept Government Investment-
 - Central Bank of Kenya
 - Controller of Budget- Devolved governments (Counties)
 - Kenya Revenue Authority

Introduction cont'

- DQAF has the following Key Dimensions:
 0. Pre-requisites to Quality
 1. Assurance of Integrity
 2. Methodological Soundness
 3. Accuracy and Reliability
 4. Serviceability
 5. Accessibility

0. Prerequisites

0.1 Legal and Institutional Environment

- ❖ *Responsibility for collecting, processing, and disseminating statistics-* KNBS established by Statistics Act 2006

- ❖ *Data sharing and coordination among data producing agencies-* KNBS coordinator of the NSS
- ❖ *Confidentiality of individual reporters' data-* Data for individual institutions not reported
- ❖ *Ensuring statistical reporting-* KNBS service charter and Performance contract ensures that GFS is reported on timely basis

0.2 Resources

- ❖ *Staff, facilities, computing resources, and financing are commensurate with statistical programs-* GFS unit with 3 staff with a budget
- ❖ *Adequacy of computing resources are adequate-* resource sufficient and adequate
- ❖ *Measures to ensure efficient use of resources are implemented -* All activities carried out by the section are as per costed work plan for GFS unit

0. Prerequisites Cont'

0.3 Relevance

- ❖ *Monitoring user requirements*- Participation in National GFS Technical Working Group and the relevant international/ regional technical forums to gain information on user requirements

0.4 Other Quality Management- ISO 2009:2015

- ❖ *Processes in place to focus on quality*- Quality Policy that guides its operations and its available online
- ❖ *Quality monitoring*- quality policy implementation reviewed regularly to ensure conformity with quality objectives.

1. Assurance of Integrity

1.1 Professionalism

- ❖ *Impartiality of statistics* - KNBS is a semi-autonomous government agency
- ❖ *Selection of sources, methodology, and modes of dissemination*- carried out professionally, taking into account internationally and nationally accepted standards
- ❖ *Commenting on erroneous interpretation and misuse of statistics*- carried out by technical staff in subject area. Reactions and comments by KNBS are done through communiqués

1.2 Transparency

- ❖ *Disclosure of terms and conditions for statistical collection, processing, and dissemination*- provided for in the Statistics Act 2006

1. Assurance of Integrity Cont'

- ❖ *Internal governmental access to statistics prior to release-* Access prior to release to Government institutions provided for information
- ❖ *Attribution of statistical products-* statistics are published by KNBS are attributed to KNBS
- ❖ *Advance notice of major changes in methodology, source data, and statistical techniques.-* advance notices given Stakeholders. Explanations of new methods and changes provided

1.3 Ethical Standards

- ❖ *Guidelines for staff behavior* -staff are bound by the Code of Conduct for KNBS

2. Methodological soundness

2.1 Concepts and Definitions

- ❖ *Concepts and definitions follow international standards-* guided by Government Finance Statistics Manual (GFSM 2014).

2.2 Scope

- ❖ *Scope broadly consistent with international standards* -covers the entire public sector, general Government and other statistical institutional units

2.3 Classification/Sectorization

- ❖ *Classification/ sectorization broadly in line with international standards-* classifications and sectorization in GFS are based on the GFSM 2014

2. Methodological soundness cont'

2.4 Basis of Recording

- ❖ *Principles for valuation*- Transactions in GFS are recorded at Market value
- ❖ *Recording basis*- Revenue is recorded on a cash basis; Expenditure is largely recorded on a commitment basis
- ❖ *Grossing/ netting procedures* -GFS transactions are recorded on a gross basis.

3. Accuracy and reliability

3.1 Source Data

- ❖ *Source data collection programmes- provides the various sources of source data- National Treasury, Auditor Gen, Controller of Budget & CBK*
- ❖ *Source data definitions, scope, classification, valuation, and time of recording- Data comprehensive and compiled based on GFSN2014 framework*
- ❖ *Source data timeliness - The source data is provided in a Timely manner.*

3. Accuracy and reliability cont'

3.2 Assessment of Source Data

- ❖ *Source data assessment* -Source Data is assessed at the GFS Technical Working Group Level and resolves any outstanding issues

3.3 Statistical Techniques

- ❖ *Data compilation statistical techniques*- Sound statistical techniques are employed as per GFSM2014
- ❖ *Other statistical procedures*- Other statistical procedures may be applied on need basis e.g. use of bridge tables

3. Accuracy and reliability cont'

3.4 Assessment & Validation of Data and Outputs

- ❖ *Validation of intermediate results*- validated against other Data sources
- ❖ *Assessment of intermediate data*- Done regularly to investigate the causes and occurrences sources of any discrepancies
- ❖ *Assessment of discrepancies and other problems in statistical outputs*- includes Investigations into any discrepancies that may exist

3.5 Revision Studies

- ❖ *Revision studies and analyses*- revised periodically as pre- determined in the bureau's revision practices

4. Serviceability

4.1 Periodicity and Timeliness

- ❖ *Periodicity*- KNBS compiles and publishes Comprehensive Annual General Government GFS
- ❖ *Timeliness*- KNBS compiles and publishes Annual General Government GFS latest by the End of April on a timely basis

4.2 Consistency

- ❖ *Internal consistency*- Consistency of the statistics published is ensured through usage of Concepts, definitions, and classifications
- ❖ *Temporal consistency*- Time series data revised when there are changes in source data, methodology, or techniques
- ❖ *Inter-sectoral and cross-domain consistency*- GFSM 2014 which is consistent with the SNA 2008 and other macroeconomic frameworks

4. Serviceability cont'

4.3 Revision Policy and Practice

- ❖ *Revision schedule*- Done annually and known to the public, whenever there is new information or circumstances that necessitates revision.
- ❖ *Identification of preliminary and/ or revised data*- ESTIMATES and PROVISIONAL data are identified

5. Accessibility

5.1 Data Accessibility

- ❖ *Statistical presentation*- disseminated according to the standard components of the GFSM 2014 including charts, tables and Notes
- ❖ *Dissemination media and format*- hard and electronic copies of the above publications. Uploaded on the website
- ❖ *Data published according to a preannounced schedule*- in line with advance release calendar
- ❖ *Simultaneous release*- Data released simultaneously to the public
- ❖ *Further statistics provided on request*- Non-published data may made available on request

5. Accessibility

5.2 Metadata Accessibility

- ❖ *Dissemination of documentation on concepts, scope, classifications, basis of recording, data sources, and statistical techniques* - GDDS metadata and other related descriptions are reviewed and updated regularly

5.3 Assistance to Users

- ❖ *Dissemination of information on contact points*- Contacts are given in publications disseminating GFS
- ❖ *Availability of documents and service catalogues*- documents are available and are made available on request

Conclusion

- DQAF has been a useful tool in improving the process of compiling GFS
- Quality of GFS disseminated to the public significantly improved and thereby increased acceptability

Questions and Comments

Thank you