CM.1 A Framework for Measuring Alignment with the Economic Accounting and Statistical Standards: Outcome of Global Consultation

Prepared by the Communication Task Team (CMTT)

CM.1 A Framework for Measuring Alignment with the Economic Accounting and Statistical Standards: Outcome of Global Consultation[1]

The global consultation[2] sought to ascertain the views of compilers on the alignment framework proposed by the Communication Task Team (CMTT). The consultation showed that majority of respondents agreed with the need for a set of alignment frameworks in the statistical standards, as well as on the dimensions and elements of the proposed frameworks. Majority of the respondents noted that while completing the proposed frameworks would require some initial resource investment, updating and maintaining them is not expected to be resource intensive. The respondents also provided some valuable suggestions to further improve the alignment framework that should be reflected in the final guidance note.

In this meeting, the outcome of global consultation is presented so that the IMF's Committee on Balance of Payments Statistics (the Committee) and the Advisory Expert Group on National Accounts (AEG) can take a final decision on the proposed changes to the Guidance Note (GN).

SUMMARY OF GLOBAL CONSULTATION

1.   **The consultation received a total of sixty-nine (69) responses from fifty-five (55) economies—**from a mix of national accounts, balance of payments, and government finance statistics compilers (see Figure 1). Respondents from European economies had the largest participation (35 percent), followed by those from Western Hemisphere countries (23 percent), Asia and Pacific countries (17 percent), Middle East and Central Asia countries (13 percent), and from Sub-Saharan Africa (12 percent). Majority of the respondents (70–80 percent) agreed with incorporating a set of alignment frameworks in the next update of the SNA, BPM, and GFSM statistical standards.

2.   **A significant majority of the respondents agreed with the concepts and definitions, accounting rules, classification systems, and presentation dimensions (and elements) of the three frameworks** (see Figure 2). However, some respondents noted that they would require further clarification on some elements of the frameworks. Specifically, the respondents noted that (i) less details (less elements in each dimension of the frameworks) would be preferred; (ii) options could be included for national classification systems (customized versions of international classifications); and (iii) dimensions of the framework be considered to make it more concise (e.g., the accounting rules dimensions).

3.   **Respondents generally agreed with the dashboard presentation of the frameworks** (see Figure 3). While the respondents appreciated that the frameworks build on existing quality assessment frameworks[3] some expressed concerns about the extent to which the frameworks rely on statistical offices to be objective about the degree of alignment of their statistical programs. They also expressed concern that with the bands (expressed in percent), it could be difficult for compilers to judge elements that are not aligned with statistical standards. On the balance of payments framework, it is argued that it

---

[1] Prepared by the Chair and Secretariat of the CMTT.

[2] The joint global consultation on the GN CM.1 "A Framework for Measuring Alignment with the Economic Accounting and Statistical Standards" took place during December 2021–February 2022.

[3] Such as the IMF's Data Quality assessment Framework (DQAF), United Nations National Accounts Questionnaire (UN-NAQ), and the Quality Assurance Framework of the European Statistical System.

is much more detailed than current balance of payments metadata surveys completed by countries (particularly for the Balance of Payments Statistics Yearbook). The respondents also appreciated the ability to provide explanations for any deviation from the standards. They requested additional explanatory notes for the frameworks and suggested explaining in the Guidance Note (GN), the level of detail that would be published to the public.

4. **The consultation also sought feedback on the overall communication strategy—the need to present an overall message on the economy's degree of alignment** (see Figure 4). The respondents had split views on the proposal to use an overall score. Those that disagreed argued whether it would be feasible to generate a meaningful overall 'score' given the complexities of the frameworks. Those in favor agreed with the perspective that a score would provide a snapshot of the overall level of alignment for an economy and would be worthwhile for users. Majority of the respondents also agreed that the dashboard should be updated on an ad-hoc basis (once every 3–5 years) to reflect updates to the relevant statistical programs.

5. **A slight majority of respondents agreed that it would be feasible for their office to update, maintain, and publish the framework regularly** (see Figure 5). They recognize the initial upfront resource cost to complete the framework. However, they highlight that any subsequent updates to the frameworks would require less resources and therefore would be feasible. The other half of the respondents argued that their agencies do not have sufficient resources to regularly maintain the frameworks. Some recommended that the GN provide specific guidelines on the periodicity of updating the frameworks and propose recommendations for data exchange with other international agencies that might collect similar information.

6. **Twenty economies (out of sixty-nine) agreed to complete the alignment frameworks for their respective statistical programs.** About 20 percent of the respondents (of the 20 respondents that agreed to complete the framework) noted that, in practice, the framework was difficult to complete; the remaining 80 percent thought the alignment framework was fairly straightforward. Some specific feedback received include: (i) the elements related to statistical units were particularly difficult to understand and complete; (ii) the framework should limit the free-text options and instead provide more dropdowns, etc., for countries to select their responses; (iii) provide more guidance/explanatory notes; (iv) substitute the terms "accounting rules" (which could be misunderstood by macroeconomic compilers) to perhaps "economic accounting rules" to avoid confusion; (v) provide additional guidance to ensure consistency of color ratings; (vi) add a field in the metadata section to indicate the observation date for which the information applies; and (vii) add fields for valuation of financial assets and liabilities.

PROPOSED CHANGES TO THE GN

   a) Review completed frameworks and make adjustments/clarifications based on the feedback received including (i) adding explanatory notes for the frameworks, (ii) reviewing the elements in each dimension of the framework, and (iii) reviewing whether there needs to be an overall "alignment score" or message to communicate overall level of alignment.

   b) Include guidelines on appropriately balancing the provision of information on alignment with statistical standards and providing other metadata (specifically focusing on the statistical offices with limited resources).

   c) Add a section to the GN to detail the benefits of the alignment frameworks for users.
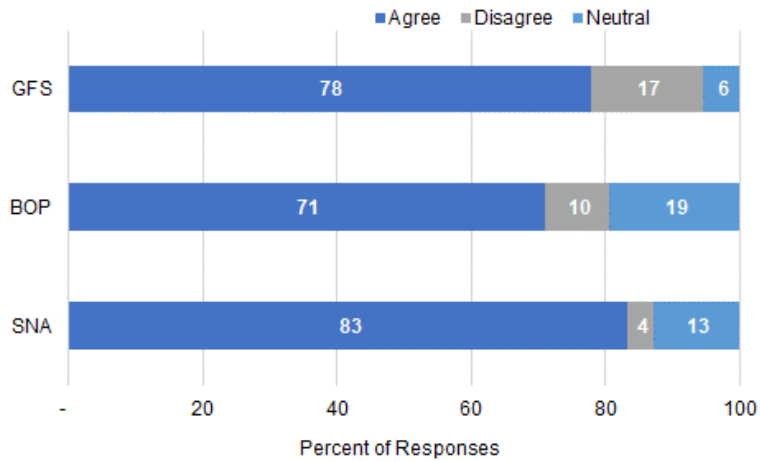
Annex. Graphs and Charts

Figure 1. Geographical Distribution of Responses

Panel A. Geographical Distribution of Responses
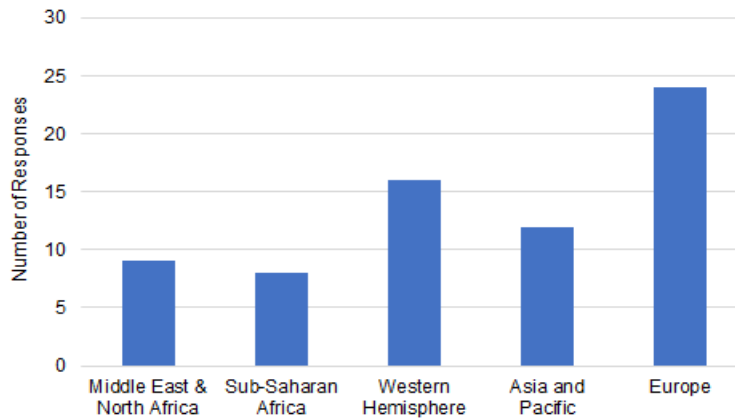
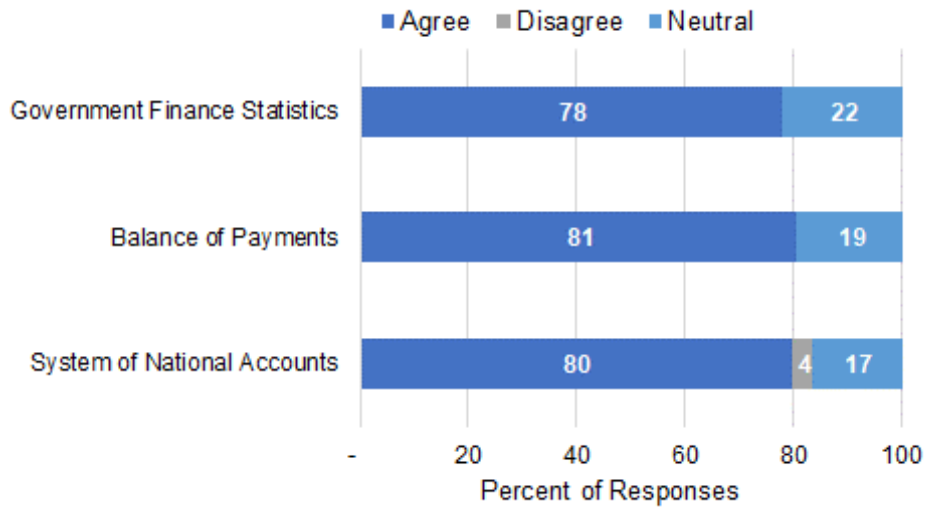*The consultation received 54 responses on the SNA framework, 31 responses on the BPM framework and 18 responses on the GFS framework.*

Panel B. Views on the Need for Alignment Framework in the Standards

Most respondents agreed that the alignment frameworks are needed in the statistical standards.

Figure 2. Responses to the Dimensions and Elements of the Framework

■Agree ■Disagree ■Neutral

	Agree	Disagree	Neutral
Government Finance Statistics	78		22
Balance of Payments	81		19
System of National Accounts	80	4	17

Percent of Responses

Majority of the respondents agreed that the dimensions of the framework capture all the relevant elements.

Figure 3. Responses to Dashboard Presentation of the Framework

■Agree ■Disagree ■Neutral

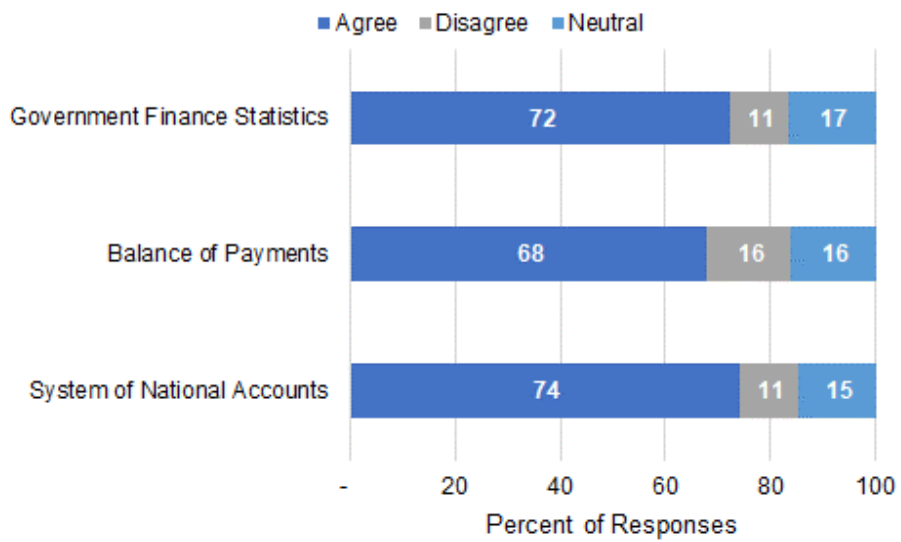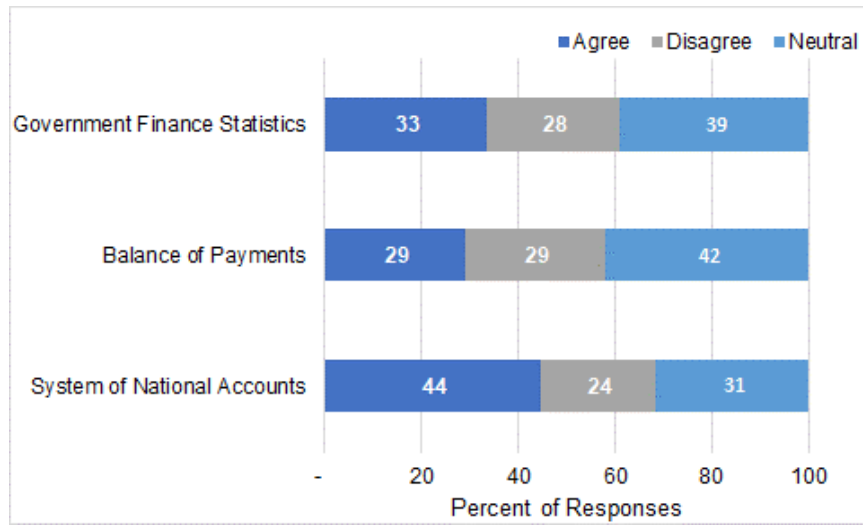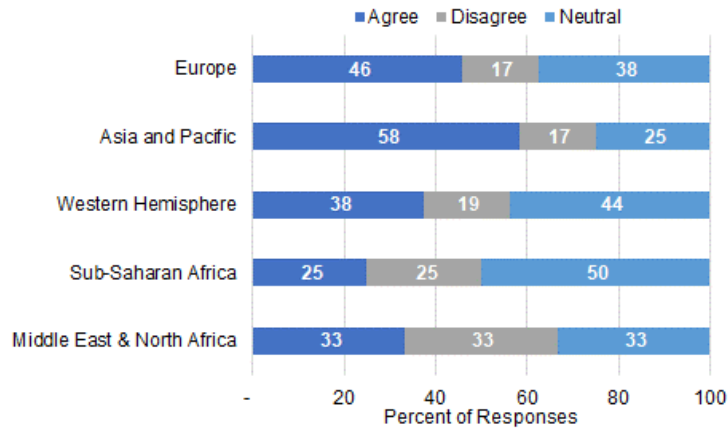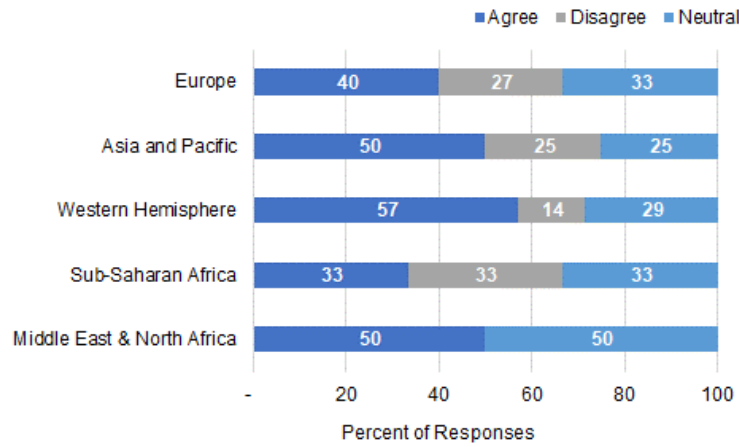|	Agree	Disagree	Neutral
Government Finance Statistics	72	11	17
Balance of Payments	68	16	16
System of National Accounts	74	11	15

Percent of Responses

Figure 4. Communication – Use of an Overall Score

Figure 5. Responses on Feasibility of Updating Frameworks

Panel A. SNA Framework

Legend: Agree · Disagree · Neutral

Region	Agree	Disagree	Neutral
Europe	46	17	38
Asia and Pacific	58	17	25
Western Hemisphere	38	19	44
Sub-Saharan Africa	25	25	50
Middle East & North Africa	33	33	33

Percent of Responses

Panel B. Balance of Payments

Legend: Agree · Disagree · Neutral

Region	Agree	Disagree	Neutral
Europe	40	27	33
Asia and Pacific	50	25	25
Western Hemisphere	57	14	29
Sub-Saharan Africa	33	33	33
Middle East & North Africa	50		50

Percent of Responses

Panel C. Government Finance Statistics

Legend: Agree · Disagree · Neutral

Region	Agree	Disagree	Neutral
Europe	44	22	34
Asia and Pacific	50	25	25
Western Hemisphere	100		
Sub-Saharan Africa	50		50
Middle East & North Africa	100		

Percent of Responses