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IMF Committee on Balance of Payments Statistics
and Twenty-First Meeting of the Advisory Expert
Group on National Accounts

Inter-secretariat
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For discussion

CM.1 A Framework for Measuring Alignment with the Economic Accounting Statistical Standards: Outcome of User Testing

CM.1 A Framework for Measuring Alignment with the Economic Accounting Statistical Standards: Outcome of User Testing¹

Following the global consultation, the Communication Task Team (CMTT) conducted a survey to test users' perceptions of the benefits of the Balance of Payments and International Investment Position Manual (BPM) and System of National Accounts (SNA) alignment frameworks.² The user testing for the SNA and the BPM alignment frameworks shows that the frameworks are in fact beneficial for users to understand the alignment of an economy's national accounts and balance of payments statistics programs to the SNA and BPM, for cross country comparisons, as well as for other analytical and management benefits.³ The respondents acknowledged the subjective assessment by compilers/national statistics offices in completing the alignment frameworks and thus recommended using quantitative measures to present an overall score of each dimension—and perhaps the framework in general. This proposal was also made in the global consultation and was not well supported by the IMF's Committee on Balance of Payments Statistics (the Committee) and the UN's Advisory Expert Group on National Accounts (AEG). In this meeting, the testing outcome is presented so that the AEG/Committee can take a final decision on approving the Guidance Note (GN) and recommend the inclusion of the frameworks in the updated manuals.

SUMMARY OF USER TESTING RESULTS

1. The consultation received a total of sixty (60) responses from forty-nine (49) economies— for both the SNA and BPM frameworks (see Figure 1). Nineteen participants responded to the BPM alignment framework survey and 41 responded to the SNA alignment framework survey. Almost all respondents (90–100 percent) agreed that the alignment frameworks would be useful for users to better understand countries' balance of payments and national accounts statistics programs and data.

2. Almost all respondents agreed that the alignment frameworks—as presented in the testing surveys—help users to understand the alignment of a country's balance of payments and national accounts statistics to the statistical standards (see Figure 2). They highlighted that the alignment frameworks could also serve as management tools for countries planning their statistical revisions and other major changes. Respondents noted that the frameworks should allow for countries to provide details on the sources and methods (or other metadata) used in compiling the statistics. This was also mentioned in the global consultation and included in the revised version of the alignment frameworks. However, the respondents noted that a quantitative “alignment score” would aid international comparison, otherwise it would be difficult for users to understand the degree to which each the elements of the alignment frameworks are aligned. The users also mentioned other areas of improvement such as (i) adjusting the colors to patterns to cater to users that may have trouble distinguishing colors; (ii) adding

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 Statistical Standards” took place during December 2021–February 2022. Testing of the GN took place during August–September 2022.

³ The testing provided users with SNA alignment framework results from Mexico and Costa Rica and BPM alignment frameworks for three unnamed economies.

more explanatory notes to the alignment frameworks; and (iii) consider providing guidance on each of the dimensions of the alignment frameworks.

3. Another benefit of the alignment frameworks highlighted in the GN is that they help users to carry out cross-country comparisons of economies' national accounts and balance of payments programs and by extension the statistics produced (see Figure 3). Users agreed that the SNA framework helps national statistical offices to identify areas for improvement, prioritize resources, and formulate strategic plans. One respondent suggested that while it will be possible for users to understand the dimensions to which each country's statistics align, in many cases, it will be difficult to compare the degree of alignment between countries. Notably, the qualitative evaluation used by countries to fill the alignment frameworks would be subjective, and the evaluation/assessment method would vary by country. It should also be noted that there could be a case in which countries find it difficult to evaluate the importance of a specific elements of a recommendation because of the lack of source data to implement those recommendations. Respondents specified that the cross-country comparisons would be better facilitated if the data are collected by an international organization—such as the IMF. Furthermore, respondents suggested that unless countries use the notes section of the alignment framework to clearly communicate further details about which elements of the recommendations are/are not aligned to the statistical standards, the framework would not add much value for users.

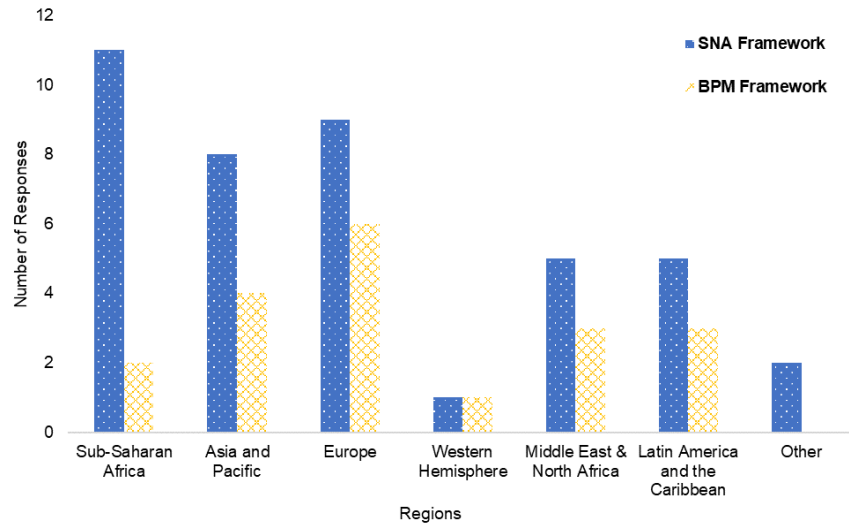
4. Regarding the comprehensiveness of the framework, a significant majority of the respondents agreed that the SNA alignment framework is sufficiently comprehensive. Users were split on the comprehensiveness of the BPM alignment framework (see Figure 4 – Panel A). On the SNA alignment framework, some users noted however, that it would be useful to extend the details to the (i) availability of the national accounts statistics; (ii) the details of which accounts are being published; (iii) the classification frameworks used, etc. For the BPM alignment framework, the respondents noted that additional elements, particularly on services, elements from the international investment position, and additional details on the accounting rules and concepts/definitions could be included.

5. The testing also sought feedback on the presentation of the results of the alignment frameworks (see Figure 4 – Panel B). An overwhelming majority of the respondents support the presentation of the current dashboard presentation of the self-assessment results. They noted that it provided a simple scheme to inform users about the alignment of a country's macroeconomic statistics program to the statistical standards in comparison to other countries. It also allows them to anticipate major revision in those areas where the statistical programs deviated from the standards. For compilers, it helps them to identify those areas with more significant gaps. However, the respondents noted that additional guidance could be provided on how compilers could assess borderline cases—for example, if 95 percent of the recommendations are implemented, users could have some difficulty deciding between “fully align” and “highly align”. Some respondents also requested assistance from international organizations in completing the framework or assessing their level of alignment.

6. Specific suggestions received from users can be made following the AEG/Committee discussions. These include: (i) adjusting colors for the benefit of all users; (ii) reviewing the BPM framework for missing elements; (iii) increasing the explanatory notes; (iv) adding new issues being discussed in the context of the SNA/BPM update; and (v) providing additional guidance to ensure consistency of the categories.

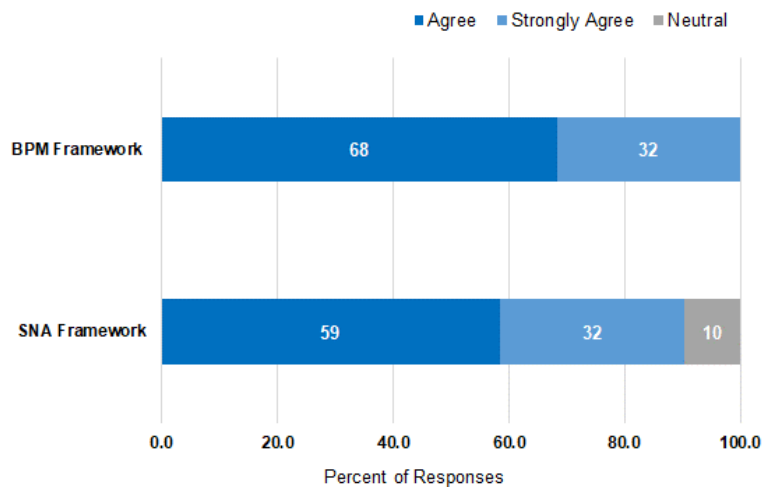
Annex. Graphs and Charts

Figure 1. Geographical Distribution of Responses



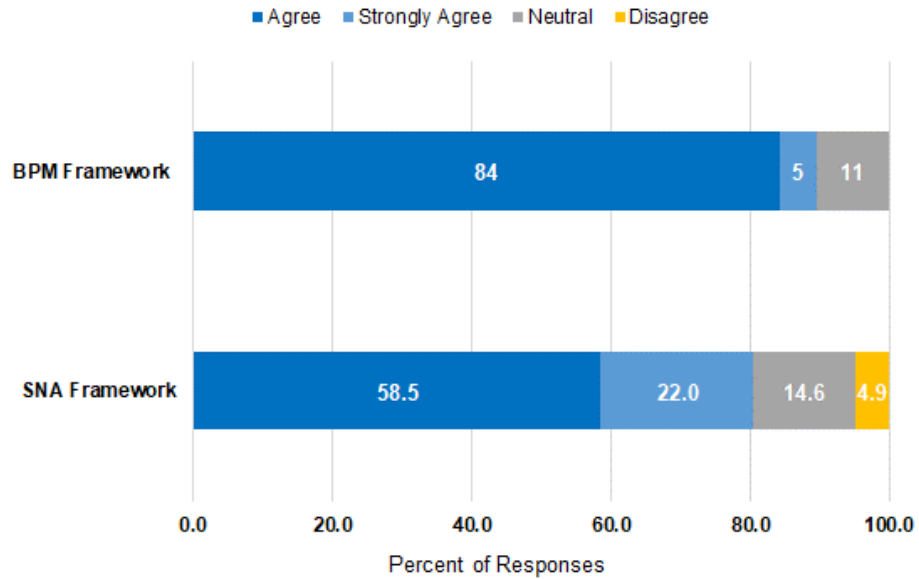
The consultation received a total of 41 responses on the SNA framework and 19 responses on the BPM framework

Figure 2. Views on the Usefulness of the Alignment Framework in Understanding Economies' National Accounts and Balance of Payments Statistics Programs



Most respondents agreed that the alignment frameworks help users to understand the statistical programs of the countries in the sample.

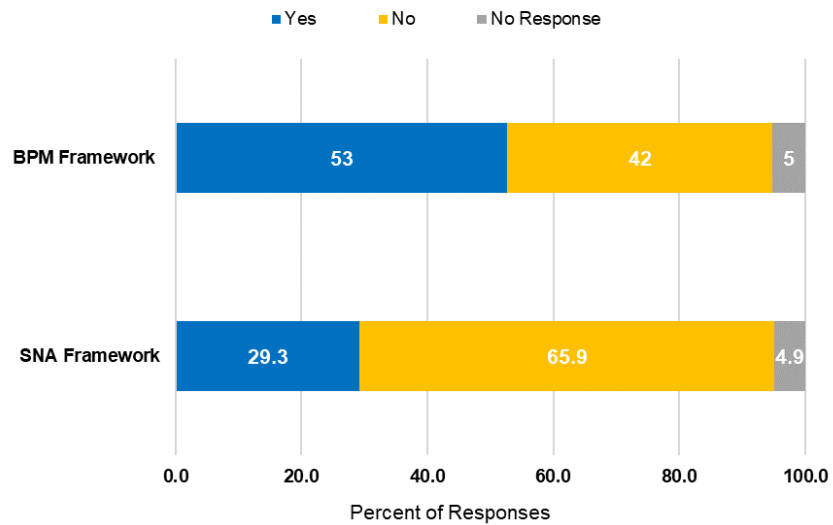
Figure 3. View of the Usefulness of the Alignment Frameworks for Cross-Country Comparisons



Majority of the respondents agreed with the usefulness of the alignment frameworks to carry out cross-country comparisons of national statistics programs

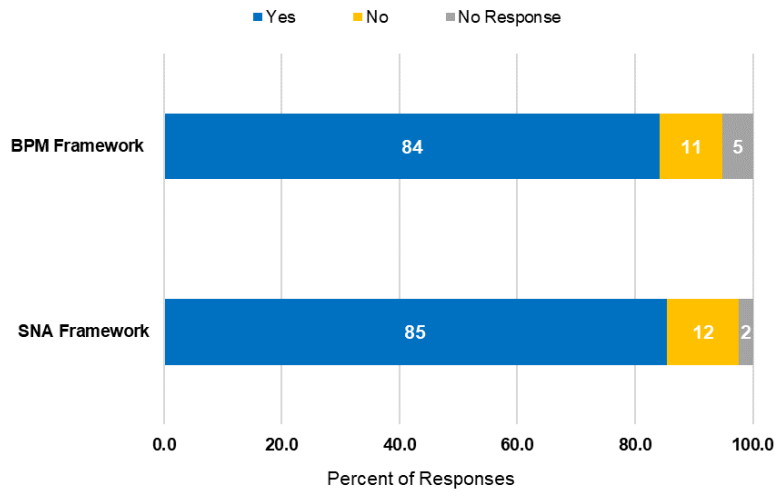
Figure 4. Responses to Dashboard Presentation of the Framework

Panel A: Comprehensiveness of the Framework – Are There Elements Missing from the Framework?



Generally, respondents agreed that the SNA framework is relatively comprehensive. However, the respondents were broadly split on the comprehensiveness of the balance of payments alignment framework.

Panel B: Communicating with Users – Are the Descriptions of the Alignment Bands Readily Understood?



Panel C: Presentation of the Self-Assessment Results

