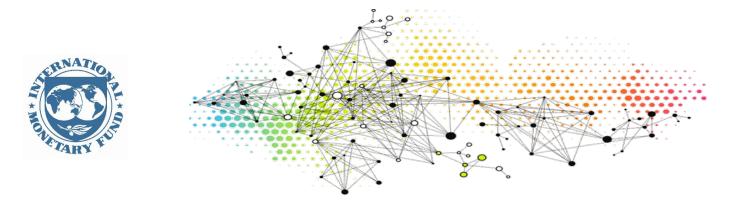# REPUBLIC OF UZBEKISTAN

TECHNICAL ASSISTANCE REPORT—MULTI-TOPIC STATISTICS DIAGNOSTIC

This Technical Assistance Report on the Republic of Uzbekistan was prepared by a staff team of the International Monetary Fund. It is based on the information available at the time it was completed in May of 2021.

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REPUBLIC OF UZBEKISTAN

REPORT ON MULTI-TOPIC STATISTICS DIAGNOSTIC MISSION (MARCH 1–19, 2021)

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Glossary

1993 SNA	*System of National Accounts 1993*
2008 SNA	*System of National Accounts 2008*
ARC	Advance Release Calendar
ARD	Accounting and Reporting Department, CBU
BOP	Balance of payments
BPD	Balance of Payments Statistics Division, FRBPD, CBU
BSU	Banking Statistics Unit, MFSD, SRD, CBU
CBU	Central Bank of Uzbekistan
CCAMTAC	Caucasus, Central Asia, and Mongolia Regional Capacity Development Center
CD	Capacity development
CGD	Central government debt
CGO	Central government operations
COAs	Charts of accounts
CBS	Central bank survey
CDD	Customs Declaration Database
CIF	Cost, insurance, and freight
CPF	Cumulative Pension Fund
CPI	Consumer price index
DEPDD	Domestic and External Public Debt Department
DI	Direct investment
DSBB	Dissemination Standards Bulletin Board
DCs	Depository corporations
DCS	Depository corporations survey
DGF	Deposit Guarantee Fund
DMFAS	Debt Management and Financial Analysis System
EBF	Extra-budgetary funds
EDS	External debt statistics
EDS Guide	*External Debt Statistics: Guide for Compilers and Users 2013*
e-GDDS	Enhanced General Data Dissemination System
ESS	External sector statistics
FCs	Financial corporations
FOB	Free on board
FRBPD	Foreign Exchange Regulation and Balance of Payments Department, CBU
GDP	Gross domestic product
GFMIS	Government Financial Management Information System
GFS	Government finance statistics
GFSD	Government Finance Statistics and Transparency Division, MOF
GFSM 1986	*Manual on Government Finance Statistics 1986*
GFSM 2014	*Government Finance Statistics Manual 2014*
GGO	General government operations
GVA	Gross value added

HBS	Household Budget Survey
ICs	Insurance companies
IMDA	Insurance Market Development Agency
IMF	International Monetary Fund
IMTS	International Merchandise Trade Statistics
IRMD	International Reserves Management Department
ISBS	Informational Storage of Banking System
ISS	International statistical standards
ITRS	International Transactions Reporting System
FISIM	Financial intermediation services indirectly measured
HFCE	Household final consumption expenditure
IFRSs	International Financial Reporting Standards
IFS	*International Financial Statistics*
IPI	Industrial production index
LCs	Leasing companies
MCD	Middle East and Central Asia Department, IMF
MFS	Monetary and financial statistics
MFSD	Monetary and Financial Statistics Division, SRD, CBU
MFSMCG	*Monetary and Financial Statistics Manual and Compilation Guide*
MOF	Ministry of Finance
MOU	Memorandum of understanding
MSU	Monetary Statistics Unit, MFSD, SRD, CBU
NA	National accounts
NAD	Macroeconomic Indicators and National Accounts Department, SSC
NOE	Non-observed economy
NPISH	Nonprofit institutions serving households
NSDP	National Summary Data Page
OBAs	Off-budget accounts
ODCs	Other depository corporations
ODCS	Other depository corporations survey
OFCs	Other financial corporations
OFCSU	Other Financial Corporations Statistics Unit, MFSD, SRD, CBU
PDSDU	Publication and Dissemination of Statistical Data Unit, MFSD, SRD, CBU
PPI	Producer price index
PSCOD	Prudential Supervision of Credit Organizations Department
PSD	Price Statistics Department, SSC
PSDS	Public sector debt statistics
QEDS	Quarterly External Debt Statistics
RCF	Rapid Credit Facility
RFI	Rapid Financing Instrument
SCC	State Customs Committee
SDDS	Special Data Dissemination Standard
SDDS Guide	*Special Data Dissemination Standard: Guide for Subscribers and Users*

SDR	Special Drawing Rights
SFA	Stock-flow adjustment
SOEs	State-owned enterprises
SRD	Statistics and Research Department, CBU
SRF	Standardized report form
SSC	State Committee of the Republic of Uzbekistan on Statistics
SSFs	Social security funds
SUT	Supply and use tables
TA	Technical assistance
TRSE	Tashkent Republican Stock Exchange
TSA	Treasury single account
FRD	Fund for Reconstruction and Development
ULA	Uzbekistan Lessors Association
VAT	Value added tax
XMPI	Export and import price indexes

SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS

1.   At the request of the authorities, a remote multi-topic statistics diagnostic mission for Uzbekistan took place during March 1–19, 2021.[1] In close cooperation with officials of the State Committee of the Republic of Uzbekistan on Statistics (SSC), the Central Bank of Uzbekistan (CBU), and the Ministry of Finance (MOF), the mission (i) assessed the collection, compilation, and dissemination practices for the datasets covered by the mission; (ii) identified key high-level priorities and developed a medium-term action plan for statistical improvement and the associated capacity development (CD) needs; and (iii) developed a roadmap for subscription to the Special Data Dissemination Standard (SDDS). The mission covered the following topics: national accounts (NA) and prices,[2] government finance statistics (GFS) including public debt, external sector statistics (ESS), monetary and financial statistics (MFS), and SDDS subscription.

2.   Since deciding to open up its economy, along with other important reforms in different areas of public governance, Uzbekistan embarked on an ambitious reform of its statistical system. The availability of higher quality economic statistics as a result of these reforms will support better decision making and improve the investment climate and access to financing. As part of the first wave of reforms, Uzbekistan successfully implemented the enhanced General Data Dissemination System (e-GDDS) in May 2018, which is the first tier of the International Monetary Fund's (IMF) data dissemination initiatives, and authorized the inaugural publication of a country page in the February 2020 issue of the *International Financial Statistics (IFS)*.

3.   To guide the reform of the statistical system, the authorities developed, jointly with the World Bank, and adopted in August 2020 the *National Strategy for the Development of Statistics, 2020–25* **(*[Strategy 2020-25](#)*).** The *Strategy 2020–25* set an ambitious reform agenda, including the goal of subscribing to the IMF's SDDS. The roadmap for SDDS subscription developed by the mission and agreed with the authorities sets the target subscription date at end-December 2022. The remainder of this section summarizes the key mission outcomes and priority recommendations.

4.   Even with substantial improvements in Uzbekistan's statistical system over the recent years, further significant efforts are necessary. Sustained support from the IMF Statistics Department (STA) and other providers of technical assistance (TA), such as the World Bank, will need to continue in all areas covered by the mission. In response to the SSC's request for posting

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[1] The mission was co-funded by the IMF Caucasus, Central Asia and Mongolia Regional Capacity Development Center (CCAMTAC), the JSA Project on Improving Data Dissemination for Globally Selected Countries funded by the government of Japan, the Data for Decisions (D4D) Fund, and the IMF's own resources.

[2] The assessment of price statistics is based on findings of recent producer price index (PPI) and consumer price index (CPI) missions undertaken in October-November and December 2020, respectively.

a resident statistics advisor, the mission's view is that the authorities' CD needs can be met by the resources of the new IMF Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC), which will have real sector and GFS experts also serving Uzbekistan,[3] combined with direct STA support.

5.   **There seems to be ongoing coordination and collaboration between the data-producing agencies in Uzbekistan, but a more structured and formalized approach to inter-agency coordination would deliver substantial additional benefits.** Improved coordination on methodological issues, including the classification of institutional units, will ensure improved coverage and consistent treatment across the different datasets, resulting in better quality and cross-sectoral consistency. Establishing procedures for regular cross-checking of the relevant indicators among the different datasets is also essential. With regards to data sharing between agencies, it would be useful to discuss and agree on specific formats, content, frequency, and timeline for each set of data, especially for data feeding into other datasets.

6.   **The SSC plans to fully implement the *System of National Accounts 2008 (2008 SNA)* by December 2021 and for this purpose is carrying out a major revision of NA time series.** The implementation of the *2008 SNA* was scheduled initially for November 2020 but was extended by a year because of the COVID-19 pandemic. The revision will cover the following areas and improvements: (i) exports and imports of goods and services consistent with the balance of payments (BOP) data compiled by the CBU; (ii) improved estimates of output and gross value added (GVA) for imputed rent of owner-occupied dwellings; (iii) new time series of financial intermediation services indirectly measured (FISIM); (iv) a new method for compiling the output of the central bank; and (v) other changes related to the compilation of output of precious metals. There is significant scope for improving estimates of the non-observed economy (NOE). Although this is a difficult task, preparing adequate estimates of NOE is critical to avoid the underestimation of nominal GDP.

7.   **The SSC has made significant progress in developing discrete estimates of quarterly NA, with considerable efforts still underway.** Starting from the first quarter of 2019, the SSC collects discrete data from the regular survey of large enterprises. The SSC plans to publish the first set of discrete data in September 2021. Creating time series of discrete quarterly NA requires changes in the revision policy. The new revision policy should include regular revisions of GDP time series on a quarterly basis.

8.   **The SSC strives to compile the producer price index (PPI) and consumer price index (CPI) according to internationally accepted best practices; however, there is significant scope for improvement.** Recent TA to assess CPI and PPI compilation methods identified the following key areas for improvement: (i) developing detailed PPI item/transaction weights; (ii) identifying methods to augment the PPI establishment sample to include small establishments; (iii) improving the treatment of temporarily missing prices for the CPI and PPI,

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[3] CCAMTAC started operations remotely in February 2021 and will start physical operations around end-October 2021.

including those missing due to seasonal availability; (iv) developing techniques for making quality adjustments for the CPI and PPI; (v) improving the treatment of telecommunication services for the CPI and PPI; (vi) identifying alternative sources to develop more detailed CPI weights, as needed; and (vii) developing regional CPI weights.

9.   **The MOF has recently made significant progress towards aligning fiscal reporting with the international statistical standards (ISS), supported by IMF TA missions.** The MOF disseminates GFS in accordance with the methodology of the IMF's *Government Finance Statistics Manual 2014* (*GFSM 2014*). Important steps are gradually being taken by the government to align the national budget presentation with ISS, which is a good basis for further improving the GFS reporting. The budget coverage was recently expanded by including most off-budget operations, and the budget classification was amended to align further with the *GFSM 2014* methodology. Since 2020, the MOF includes a presentation of the budget on a *GFSM 2014* basis alongside the national format. The MOF also disseminated a reconciliation table explaining the differences between the national and the new formats to facilitate proper interpretation of the GFS based on ISS. The authorities conducted analyses of public enterprises and identified the non-market units to be included in GFS. Extensive work is ongoing to implement the Debt Management and Financial Analysis System (DMFAS).

10.   **Improving comprehensiveness of financing data will further improve the quality of GFS and debt reporting.** The inclusion of off-budget accounts (OBAs) of the budgetary central government organizations is underway (19.6 percent of total general government expenditure or six percent of GDP in 2020). Remaining gaps relate to the unavailability of data on externally financed policy on-lending by the state budget to public corporations (around 0.5 percent of GDP in 2019), the lack of data on recoverability of the government lending and equity injections to public corporations made for policy purposes (5.4 percent of GDP in 2019), incomplete coverage of transactions in currency and deposits, and uncertainties in the recording of guarantees serviced by the government (the outstanding amount was about 2.2 percent of GDP in 2020). These gaps prompt concerns about the quality of fiscal data.

11.   **The CBU has made significant progress in the compilation of monetary statistics with the assistance of the three previous MFS TA missions, the last one taking place in 2019.** A milestone was achieved in December 2019 when the CBU started disseminating monetary statistics for the depository corporations (DCs) in its website and submitting these data to the IMF for publication in *IFS*, with historical data beginning in January 2013. The monetary statistics for the CBU and other depository corporations (ODCs) are broadly aligned with the methodology of the IMF's *Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*. Despite the CBU's efforts to improve the quality of the disseminated data, there are still some limitations in the source data including the unavailability of detailed breakdowns needed for proper sectoring and classification of all accounts.

12.   **Even though the CBU implemented most priority recommendations of the 2019 MFS mission, a few important ones still need to be implemented.** The mission stressed the importance to implement key outstanding recommendations, such as (i) the revision of the

charts of accounts (COAs) of the central bank and commercial banks to ensure they contain the counterparty sector for all financial assets and liabilities; and (ii) ensuring full consistency between MFS and GFS for the accounts of the public sector, in close coordination with the MOF. Apart from these outstanding issues, the mission discussed and agreed with the CBU staff further necessary methodological improvements in monetary statistics.

13.   The intra-sectoral consistency between DCs has improved, unlike the inter-sectoral consistency between MFS and other statistical domains, namely GFS and ESS, which remains a challenge. The signing of a Memorandum of Understanding (MOU) between the CBU, MOF, and SSC for data sharing has had positive results as data on the deposits of the central government with the CBU are reconciled on a quarterly basis. However, further efforts need to be made to reconcile all central and local government accounts with the DCs. Furthermore, there is no formal reconciliation exercise between MFS and ESS, which is important as large discrepancies exist.

14.   Uzbekistan made significant progress in improving the quality of ESS and aligning them with ISS, with guidance from IMF TA missions over the years. Since 2020, the CBU is disseminating BOP and international investment position (IIP) statistics in line with the sixth edition of the IMF's *Balance of Payments and International Investment Position Manual* (BPM6) including historical series going back to 2010. The CBU has also improved the compilation of the external debt statistics (EDS). Shortly after the mission, it disseminated EDS data in line with the *External Debt Statistics: Guide for Compilers and Users 2013* (*EDS Guide*), also submitting these data to the World Bank for dissemination through the Quarterly External Debt Statistics (QEDS) database.

15.   Although improvements in the overall quality of BOP contributed to some reduction of the net errors and omissions, important issues still remain to be addressed. The remaining issues that require authorities' actions to further improve ESS data quality include (i) improving the estimates for imports and exports of goods, which are solely based on customs data (imports of goods is likely underestimated by around five percent of total imports, and exports up to 10 percent based on 2019 data) and do not leverage the mirror data of the main trading partners; (ii) separating trade credit and advances between affiliated entities from other trade credits and reclassifying them from other investment into direct investment (DI) (trade credit and advances is one of the significant items on the asset side of the IIP); (iii) improving the estimates of household holdings of foreign currency, which currently seem to be overstated (the largest item on the asset side of IIP other than the international reserves) as the outflows are not adequately covered.

16.   Uzbekistan meets the SDDS coverage, periodicity, and timeliness requirements for half of data categories and needs improvements in the others to fully satisfy the requirements. Specifically, Uzbekistan does not yet compile and disseminate the Template on International Reserves and Foreign Currency Liquidity (Reserves Data Template). SDDS coverage requirements are not met for the three fiscal sector data categories (general government operations (GGO), central government operations (CGO) and central government debt (CGD))

and for external debt. Further, cumulative (rather than discrete) data are currently disseminated for quarterly GDP, production index, and merchandise trade. According to the SDDS subscription Action Plan, these gaps in coverage and a few improvements in periodicity and timeliness are to be addressed by end-2022. In most cases, the relevant actions are underway, and the SDDS requirements are achievable in short-term. The key obstacle to a faster subscription is the need for the MOF to complete the entry of the necessary information into the DMFAS such that the following data on the predetermined and contingent short-term net drains on the CBU's foreign currency assets can be extracted on a monthly basis and included in the Reserves Data Template: (i) principal and interest payments on the central government domestic borrowing and lending in foreign currency, (ii) central government liabilities denominated in foreign currency and settled in domestic currency, and (iii) government guarantees on loans in foreign currency and with short-term remaining maturity.

17.   The mission expresses its appreciation for the excellent cooperation extended by the Uzbek authorities, which contributed substantially to the success of the mission. The mission also gratefully acknowledges the invaluable support provided by the staff of the IMF's Resident Representative's office in Tashkent, Ms. Galina Kostina.

18.   To support Uzbekistan's efforts in further improving its statistical system and in subscribing to SDDS, the mission designed a comprehensive Action Plan jointly with the authorities. The priority recommendations for each area of statistics covered by the mission are provided in Table 1.

Table 1. Uzbekistan: Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
Cross-cutting Recommendations		
September 2021	*Supplement the list of public units by including entities engaged in financial activities and other public units as relevant, and agree on their sectoring, in consultation with STA on borderline cases.*	MOF, CBU, SSC
September 2021	*Agree on a coordinated and consistent implementation of the revised sector classification of public units in GFS, NA, MFS, and BOP/IIP.*	MOF, CBU, SSC
December 2021	*Establish a coordination mechanism for discussing and agreeing on cross-cutting methodological and compilation-related issues on a regular basis.*	MOF, CBU, SSC
December 2021	*Establish a mechanism to conduct regular consistency checks among ESS, MFS, GFS and NA, as presented in the detailed Action Plan.*	MOF, CBU, SSC
National Accounts and Price Statistics		
July 2021	*Adopt and start implementing the proposed new revision policy for quarterly NA.*	SSC (Macroeconomic Indicators and National

		Accounts Department (NAD))
December 2021	*Compile experimental NOE estimates by applying the labor input method.*	SSC (NAD)
December 2021	*Disseminate revised time series of NA in accordance with the 2008 SNA.*	SSC (NAD)
December 2021	*Develop regional weights and baskets for the compilation of CPI.*	SSC (Price Statistics Department (PSD))
Government Finance Statistics/Public Sector Debt Statistics		
June 2021	*Prepare and disseminate the reconciliation table between the budget execution based on the national format and the GFSM 2014 methodology, and provide it to the IMF's Middle East and Central Asia Department (MCD) at least on a quarterly basis.*	MOF (Budget Department)
March 2022	*Improve the quality of the GFS and debt data by including financing operations (including those financed by external debt) currently not passing through the treasury single account (TSA) and budget, as explained in the detailed Action Plan.*	MOF (Budget Department, and Domestic and External Public Debt Department (DEPDD)
March 2022	*Examine the recoverability of policy lending to properly classify each of them as expenditure or financing.*	MOF (Budget Department and DEPDD)
Monetary and Financial Statistics		
June 2021	*Exclude the IMF financing under the Rapid Credit Facility (RFI) and the Rapid Financing Instrument (RCF), and the corresponding on-lending to the central government, from the CBU balance sheet, as per the MOU signed between the MOF and CBU. Disseminate revised data for the CBU in its website and submit them to STA in the standardized report form (SRF) 1SR.*	CBU (Statistics and Research Department (SRD), and Accounting and Reporting Department (ARD))
December 2021	*In close collaboration, introduce the necessary revisions in the COAs of the CBU and commercial banks.*	CBU (SRD and ARD)
External Sector Statistics		
July 2021	*Improve the estimates of unaccounted imports/exports of goods by using mirror data of the main trading partners.*	CBU (Foreign Exchange Regulation and Balance of Payments Department (FRBPD))
June 2022	*Improve the estimates of foreign currency (cash) holdings of households to take into account the unrecorded inflows/outflows of foreign currency.*	CBU (FRBPD)
Special Data Dissemination Standard		
June 2021	*Start disseminating on the National Summary Data Page (NSDP) and CBU website monthly official reserve assets within one week after the end of the reference*	CBU (International Reserves Management Department (IRMD))

	month.	
June 2021	*Start disseminating through the NSDP and on the CBU website quarterly data on gross external debt within one quarter after the reference period, in accordance with Table 6.2 of the* SDDS Guide. *(The CBU disseminated the first set of quarterly data shortly after the mission. Once this practice is followed regularly, the SDDS requirements for this data category will be met.)*	CBU (FRBPD)
June 2021	*Report the relevant QEDS tables to the World Bank for dissemination on the QEDS website as strongly encouraged by the SDDS. (Implemented shortly after the mission.)*	CBU (FRBPD)
September 2021	*Start disseminating discrete quarterly estimates of GDP.*	SSC (NAD)
November 2021 (for CGO) March 2022 (for GGO and CGD)	*Start regular dissemination on the NSDP annual GGO and monthly CGO data (Table 4.2 of the* SDDS Guide*), and quarterly CGD data (Table 4.4 of the* SDDS Guide*), including expanded coverage as presented in the detailed Action Plan, with a timeliness of two quarters, one month, and one quarter respectively.*	MOF (Budget Department and DEPDD)
October 2022 (or earlier)	*Prepare/update the e-GDDS/SDDS metadata for each SDDS data category as necessary, at the same time as the relevant improved data are disseminated on the NSDP.*	SSC, CBU, and MOF
October 2022 (or earlier)	*Update the Advance Release Calendar (ARC) to include the new data categories and reflect the improved timeliness and periodicity; disseminate all SDDS prescribed data categories through the NSDP.*	SSC, CBU, and MOF
December 2022 (or earlier)	*Compile and disseminate the Reserves Data Template (Table 6.1 of the* SDDS Guide*) on a monthly basis with a timeliness of one month through the NSDP. Transmit draft Reserves Data Template to STA for review about two months prior to dissemination.*	CBU (IRMD) and MOF (DEPDD)

DETAILED TECHNICAL ASSESSMENT AND RECOMMENDATIONS

A. Cross-cutting Issues

19. Adequate coordination and data sharing arrangements among data-producing agencies and different units within those agencies are critical for ensuring the efficient functioning of the statistical system, the production of higher quality data, and cross-sectoral data consistency. The application of harmonized statistical methodologies, including consistent sectoring of institutional units and other statistical principles, is a necessary condition for achieving an acceptable level of quality and consistency among the different macroeconomic and financial datasets. On the other hand, regular reconciliation exercises between the relevant datasets or specific components thereof are warranted for ensuring such consistency. Finally, the establishment of proper formal arrangements for data sharing between the agency with the primary responsibility for a specific dataset and other agencies, facilitates the efficiency, adequate coverage, and shorter time lags for statistical production.

20. Following Uzbekistan's implementation of the e-GDDS, coordination among the data-producing agencies is improving. The SSC has a central role to play in this endeavor given its lead role in Uzbekistan's statistical system. In addition, the Statistics Council, a collegial advisory body, is charged with coordination on issues of statistical development and alike. The CBU, MOF, and SSC signed a MOU recently, establishing a formal basis of the statistical cooperation and data sharing between the three agencies. Furthermore, the authorities are making efforts to start addressing the inconsistencies among NA, GFS, MFS, BOP, and IIP.

21. Even with improved coordination and collaboration between the data-producing agencies in Uzbekistan, a more structured approach, coupled with continuous practical implementation, would deliver substantial additional benefits. Improved coordination on methodological issues will ensure comprehensive coverage and consistent treatment across the different datasets, resulting in better quality and cross-sectoral consistency. Concerning data sharing among the different agencies, it would be useful to discus and agree on specific formats, content, frequency, and timeline for each set of data, possibly as additions/attachments to the signed MOU, especially for data feeding into other datasets as a source.

22. The authorities' efforts in addressing inconsistencies have yielded some positive results. For example, the CBU and MOF records seem to be consistent for central government deposits with the CBU. However, the mission could not complete the reconciliation for the claims of the central government with the CBU and positions with the local governments, as the MOF was unable to provide the data during the mission. The intra-sectoral consistency between DCs has also improved, unlike the inter-sectoral consistency between MFS and other statistical domains, namely GFS and ESS, which remains a challenge. There is no formal reconciliation exercise between MFS and ESS, which is important as large discrepancies exist, and between ESS

and GFS. Further details on the consistency among the different datasets are discussed in more detail in each topical section of this report.

Recommended Actions:

- Establish a coordination mechanism for discussing and agreeing on cross-cutting methodological and compilation-related issues on a regular basis.

- Leverage the opportunity for CD using CCAMTAC, including through peer learning opportunities for the compilation of NA, price statistics, GFS, and ESS.

- Establish a mechanism to conduct regular consistency checks among the ESS, MFS, GFS and NA, as follows:

  - between the CBU and MOF records for central and local government positions to ensure consistent recording in GFS and MFS;

  - on government external assets and liabilities to ensure consistent recording in GFS, debt statistics, and IIP/BOP;

  - between MFS and ESS.

- Ensure consistent recording of externally financed government expenditure in GFS, NA, and IIP/BOP.

- Analyze the sector classification of the Cumulative Pension Fund (CPF) and the Deposit Guarantee Fund (DGF) and provide to STA background information and preliminary results of the analysis.

- Supplement the list of public units by including entities engaged in financial activities and other public units as relevant, and agree on their sectoring, in consultation with STA on borderline cases.

- Agree on a coordinated and consistent implementation of the revised sector classification of public units in GFS, NA, MFS, and BOP/IIP.

B. National Accounts and Price Statistics

Legal and Institutional Arrangements

23. The SSC has operational autonomy under the *Law on State Statistics of the Republic of Uzbekistan (Law on Statistics)*, dated December 12, 2002 and amended in 2012. *The Law on Statistics* regulates all aspects of work related to official statistics, defines the powers of state statistics agencies, and provides the legal basis for operations of the integrated statistical system.

24. The new *SSC Statute* was adopted in September 2017. It defines the mandate, functions, and structure of SSC, which is designated as the lead agency for coordinating, monitoring, and administering the national statistical system with a prime responsibility for collecting, processing, compiling, analyzing, and disseminating official statistics. One of its functions is to facilitate the

adoption of a uniform statistical methodology in line with international standards. According to the Presidential Decree No. 5054, dated December 12, 2017, economic and financial data in the country should be compliant and coordinated under the IMF's GDDS framework. In addition, the Presidential Decree No. 4273 from April 2019 specifies measures to ensure openness and transparency of public administration and assigns the SSC the role of the coordinator for all organizational aspects of maintaining the Open Data Portal of the Republic of Uzbekistan.

25.   The NAD within SSC is responsible for compiling the annual GDP estimates and other NA indicators. It houses the following five divisions:

- Division for Compilation and Analysis of Macroeconomic Indicators
- Current Accounts Division
- Accumulation Accounts and Satellite Accounts Division
- Input-Output Statistics Division
- Division for Coordination of Statistical Estimates of the NOE

26.   The Price Statistics Department is charged with the responsibility to compile and disseminate a variety of information on price statistics. It consists of the following four divisions:

- Division for Analysis of Price Statistics
- Producer Price Statistics Division
- Consumer Price Statistics Division
- Division of Price Observations for the International Comparison Program

27.   In the mission's view, staff resources in both departments are broadly adequate to perform the assigned statistical duties.

Methodological Soundness

National Accounts

28.   NA for Uzbekistan are compiled in accordance with the *System of National Accounts 1993 (1993 SNA)*. The NAD produces the annual current accounts, sector accounts, and supply and use tables at current prices by 82 types of economic activities and 82 products. The current accounts are compiled up to the financial accounts. The NAD also produces the capital account and the satellite accounts for tourism. In addition, regional GDP is compiled by 14 regions. At this stage, the NAD does not compile the financial accounts, other changes in the volume account, revaluation account, and balance sheets. The SSC plans to implement the *2008 SNA* standards by December 2021 and for this purpose carries out a major revision of NA time series.

29.   The production approach is the main method for the compilation of annual GDP, while some estimates for the expenditure approach are mostly derived as a residual. The time series of annual GDP at current prices start from 1990. The constant price estimates of GDP are compiled by using annual chain-linking.

30.   There is a significant scope for improving estimates of the NOE. The so-called "black market" transactions are not fully included in the estimates. Although it is a difficult task, preparing adequate NOE estimates is important to avoid the underestimation of nominal GDP.

Recommended Actions:

- Include the new BOP estimates in NA.

- Conduct a revision of NA in accordance with the *2008 SNA* standards by incorporating changes in the compilation of GVA for financial services, imputed rent of owner-occupied dwellings, consumption of fixed capital in the public sector, and ensure consistency between the annual NA and BOP.

- Disseminate revised time series of NA in accordance with the *2008 SNA*.

- Compile experimental NOE estimates by applying the labor input method.

- Implement benchmarking of NA time series.

- Implement benchmarking and seasonal adjustments for the industrial production index (IPI).

- Compile supply and use tables in current prices for 2021.

- Conduct a major revision of NA to incorporate NOE estimates and the results of the 2023 population census.

Price Statistics

31.   PPI coverage is adequate, and efforts are ongoing to further expand it. PPI covers mining and extraction, manufacturing, and utilities (electricity, gas, and water). Separate PPIs are compiled for communication and transportation. PPI coverage will be expanded to include agriculture and construction. The SSC began collecting prices from farmers to develop and disseminate a PPI for agriculture. Initial work has also been done to develop a PPI for construction. The SSC plans to disseminate the PPI for agriculture in January 2022, while the PPI for construction is in the initial phases of development, and a date for dissemination has not yet been set.

32.   CPI coverage in terms of weights represents all households in Uzbekistan (urban and rural). Geographic coverage includes 14 regions.

33.   All temporarily missing prices, including those missing due to seasonal availability, should be imputed. The current practice of repeating, or carrying forward, the last available price should be discontinued, unless a price is fixed or regulated. The "carry forward" method introduces a downward bias into the index. When using the carry forward method, price change is introduced into the index. The excessive use of this method converges the index to zero price change. When prices are missing, it is important that the index reflect the full extent of the price change of all collected prices.

34.   Permanently missing prices should be replaced. The price statistics staff do not have the

capacity to rely upon any of the explicit adjustments for quality change. Specifically, they lack the data and the experience to make accurate, explicit adjustments for quality differences. It is recommended that the SSC rely upon the implicit methods for making quality adjustments—overlap and imputation.

35.   The SSC compiles export and import price indexes (XMPI) using customs data. The SSC should consider implementing the preferred hybrid approach to compiling XMPIs. For those products that are tightly defined and homogenous, customs data can be used to develop unit values that can be used in the calculation of XMPIs. For other types of products, such as vehicles or clothing, the SSC should select a sample of domestic importers (or exporters) for price collection. Like the PPI, representative products are sampled within each establishment and detailed product specifications and the associated terms of transaction are defined. Each month, transaction prices are collected from the sampled establishments and used to compile XMPIs. The PPI can be a source of export price data because prices should be collected from domestic producers for goods and services sold for export.

Source Data

National Accounts

36.   The SSC conducts regular surveys for corporations, nonprofit institutions serving households (NPISHs), and households. For large corporations, the SSC conducts regular monthly surveys, while regular quarterly sampling surveys are carried out for small enterprises. The Survey of NPISHs is conducted once a year. The sample of these surveys is generated from the business register. In addition, the SSC conducts regular annual surveys of small enterprises and micro firms with full coverage (nearly 170,000 units). The Household Budget Survey (HBS) is based on a stratified sampling with a monthly rotation of households. The annual sample size amounts to 10,000 households (0.2 percent of the total number of households). The register of enterprises and organizations is updated on an ongoing basis as new enterprises are established and the previously registered ones cease their activities. The information on the type of activity of enterprises is updated annually based on annual enterprise reports. Appendix II shows the existing annual data sources and compilation methods for the annual NA, and Appendix III describes quarterly data sources and compilation methods.

37.   The SSC compiles quarterly GDP based on cumulative data sources. Using the cumulative data leads to significant shortcomings in the quarterly structure of GVA. The SSC has developed discrete data sources and plans to disseminate discrete estimates of quarterly GDP in September 2021.

38.   The role of NAD in processing of the survey results is somewhat limited. Other SSC departments are processing the initial data from the surveys. For example, the Department of Agriculture and Ecology compiles output for agriculture, the Department of Investments and Construction compiles output for construction etc. These departments also compile the NOE estimates excluding the illegal economy. The NAD collects all information from the other

departments and compiles the GVA estimates without further adjustment to the NOE estimates.

Price Statistics

39.   PPI weights are based on the total value of production as reported by establishments, and the weighting structure is updated annually using data from *t-2*. The SSC should develop detailed product/transaction level weights. Using data collected from establishments, detailed product/transaction weights can be developed. PPI compilers should begin collecting data from sampled establishments over the course of 2021 to develop weights at the detailed product/transaction level for the January 2022 weight update.

40.   Currently, only large establishments are included in the PPI sample for pricing. Statistical reporting laws require small establishments to report data on an annual basis; however, the legislation also allows for quarterly data collection from establishments. Large establishments have been providing monthly data for the PPI. The SSC would like to expand the sample to include small establishments to ensure a more representative PPI. For some industries, such as the mining of gypsum for example, small establishments are responsible for more than 95 percent of the total value of output. Expanding coverage to include small establishments would ensure that the PPI broadly represents total output for all activities and industries.

41.   The SSC has begun to collect data from small establishments on an experimental basis but has been struggling with how these data can be incorporated into the PPI. Data are collected monthly from large establishments and quarterly from small establishments. The mission recommends a phased approach to expanding the PPI establishment sample to include small establishments. In the short-term, the SSC should adopt a revision policy for the PPI. Many countries have implemented revision policies for the PPI. Under these revision policies, data are released as preliminary for three or more months (depends upon individual country circumstances). These revision policies account for the nature of price collection in the PPI. Establishments often report data late. The revision policy allows for the on-time compilation and dissemination of the PPI each month. Missing prices are imputed, and once data have been received from the late reporting establishments, the imputed prices are replaced with collected data and the index is recompiled.

42.   Under the revision policy, the PPI compiled during each month of a quarter would be based on data collected from large establishments only and flagged as provisional. The data from the sampled small establishments would be considered temporarily missing and imputed. At the end of the quarter, data are collected from the small establishments, the collected prices replace the imputed prices, and the indexes are recompiled. The SSC should allow for up to two months after the end of the quarter for the indexes to be considered provisional to maximize the number of prices collected from the small establishments. After two months following the quarter, all indexes for the quarter should be disseminated as final. This revision policy will facilitate an establishment sample more broadly representative of total output for each industry and activity.

43.   CPI weights are based on expenditure data from the most recent HBS. Uzbekistan conducts the HBS on a continuous basis. Weights are updated annually using expenditure data from *Q4 t-2* through *Q3 t-1*. For food items, the HBS collects data at the aggregate item level and for many items more detailed expenditure data are needed. For example, the HBS provides data on total estimates of expenditure on rice; however, there is need to develop more detailed weights by type of rice. To develop these more detailed weights, alternative data sources are needed. In the medium-term, the HBS questionnaire should be augmented to collect more detailed expenditure data by type of item where needed. To ensure sufficiently reliable weights at such a detailed level, an average of expenditure can be taken over multiple survey periods.

44.   The SSC compiles indexes for 14 regions in addition to the national index. To compile a nation index based on regional indexes, each region should be weighted using expenditure data collected from households in that region. This is not the case for Uzbekistan. The SSC should develop regional weights and baskets. The development of regional weights depends on a sufficiently large sample of households. While the sample of households will be doubled in 2021, it may be necessary to take an average of expenditure at the regional level across multiple survey periods to effectively increase the sample size to ensure reliable weights for each region.

Recommended Actions:

- Using data collected from establishments, develop detailed PPI product/transaction weights.

- The SSC should compile a single PPI with data from all establishments. Impute the data for small establishments in each month during the quarter and replace the data with collected prices at the end of each quarter.

- Develop regional weights and baskets for the compilation of CPI.

- Using alternative data sources, develop more detailed CPI weights as necessary.

- Augment the HBS to collect the expenditure data needed to develop detailed CPI weights.

- Collect monthly prices from small establishments in the PPI on a quarterly basis.

- The SSC should consider adopting the indirect methods of quality adjustment for CPI and PPI.

- Consider implementing the hybrid approach to compiling XMPIs.

- Replace permanently missing prices.

- Discontinue the use of the "carry forward" method for the treatment of missing prices and implement imputation methods for the treatment of all missing prices for the CPI and PPI, including those missing due to seasonal availability.

- All seasonal prices should be imputed during each month that they are missing.

Serviceability and Accessibility

National Accounts

45.   The preliminary estimates of annual GDP are published too early, and therefore, may contain significant shortcomings. The SSC publishes the preliminary estimates of annual GDP one month after the reference year, while the final estimates are published 11 months after the reference year. Most of the annual data sources are not available within one month. Consequently, the preliminary estimates of annual GDP need significant adjustments during the annual revision.

46.   The preliminary estimates of quarterly GDP are published after 20 days from the end of the reference period, which is too early because many important data sources are not still available by that time. These estimates look more like flash estimates. They are based on cumulative data sources. For example, to compile estimates for the second quarter, NAD subtracts the cumulative data for January–March from the cumulative data for January–June. In this way, NAD receives data for April–June, distorting the real quarterly structure as during the cumulative reporting, the adjustments made to the earlier quarters are mostly allocated to the latest quarters. The SSC to implement discrete quarterly GDP estimates by September 2021.

47.   The recommended practice to disseminate the preliminary estimates of quarterly GDP by production varies between 60 and 80 days from the reference period. This period is required for collecting necessary quarterly data sources to compile the NOE estimates. Such practice improves the quality of quarterly estimates and reduces the gap between annual and quarterly GDP.

48.   Metadata describing compilation of NA are published on the SSC website. The SSC should update these metadata to include recent methodological improvements. A separate metadata should be compiled for IPI as part of the upcoming SDDS subscription.

Recommended Actions:

- Adopt and start implementing the proposed new revision policy for quarterly NA.

Price Statistics

49.   PPI and CPI data are compiled monthly and are disseminated within four weeks of the reference period. Key data users have requested an alternative aggregation of the CPI for imported goods. To compile an index for imported goods, the SSC will need to disaggregate the fixed annual weights to distinguish between domestic versus imported varieties for each item. This can be done using domestic production data (less exports) and import data. Once these weights have been developed, an index for imported goods can be compiled.

50.   It is important to clearly identify the headline CPI to avoid creating confusion over the official rate of inflation. Alternative aggregations are for analytical and research purposes

only. Any alternative aggregation of the CPI, such as an index for imported goods, should be clearly identified for users and the purpose for compiling the index explained. Monthly press releases should focus on the headline inflation with any alternative aggregation included at the end of the release and/or posted on the SSC website.

51.   Detailed metadata describing PPI and CPI methods are available and posted on the SSC website. Detailed CPI and PPI metadata, including metadata posted on the IMF's Dissemination Standards Bulletin Board (DSBB), should be updated to reflect new compilation methods, new weights, and expanded coverage.

Capacity Development Needs

52.   The newly established CCAMTAC will provide CD services (TA and training) on NA and price statistics. TA in the near future will focus on assisting the authorities in the implementation of discrete quarterly NA. The SSC has also requested TA to improve GDP by expenditure estimates. For price statistics, the SSC has requested TA to develop a residential property price index (RPPI) and a follow-up TA on the PPIs for agriculture and construction.

53.   The World Bank assists the authorities in the improvement of data sources for the compilation of NA. The World Bank provided technical support in developing the *Strategy 2020–2025*, which identified institutional and data gaps to be addressed. The main source data gaps include (i) the lack of a population and housing census; (ii) outdated household, farm, and employment surveys; (iii) the lack of an agricultural census; and (iv) the lack of a complete business registry/census. The World Bank is currently working on the approval of a large funding project for Uzbekistan with an objective to strengthen the capacity of the statistical system of Uzbekistan to improve statistical production and enhance dissemination practices. The project plans to provide support in improving the source data, which will complement the IMF TA to strengthen the compilation and dissemination of NA and price statistics. The project will also support Uzbekistan's participation in the next International Comparison Program. The mission met with the World Bank team working on the project and agreed to coordinate the relevant activities and their sequencing going forward.

C.   Government Finance Statistics/Public Sector Debt Statistics

Legal and Institutional Arrangements

54.   The MOF compiles Uzbekistan's fiscal data according to the *Budget Code* approved by the *Law of the Republic of Uzbekistan* of December 26, 2013, as amended on January 14, 2021. The budget legislation consists of the *Budget Code* and other legislation, including the annual budget laws.

55.   Over the past three years the authorities have taken important steps in establishing a legal/formal basis to implement the ISS in fiscal reporting. A Presidential Decree No. 3917, dated August 22, 2018 established the GFS and Transparency Division (GFSD) at the MOF and

endorsed a formal Road Map to improve the quality of fiscal reporting. The Presidential Decree on the Measures to Ensure the Execution of the *2020 Budget Law* (issued in December 2019) requires all financial transactions to be reported in line with the *GFSM 2014* methodology (by excluding them from revenue and expenditure and treating below the line) starting from the 2019 budget execution reports. Based on the *2020 Budget Law*, the overall fiscal balance of the Consolidated Budget included externally financed expenditure and excluded repayments of the debt principal from expenditure in order to align the fiscal reporting with ISS, starting from 2020.

56.   The authorities have also taken steps to improve the coverage of fiscal statistics. The 2019 Resolution of the Cabinet of Ministers on the Introduction of a Modern System of National Accounts requires to finalize the sectorization of public entities and include the non-market producers, as well as all extra-budgetary funds (EBFs) and OBAs, in the GFS reporting; improve transparency; and gradually align the presentation of the Budget and Budget Disclosure with the *GFSM 2014* standards. The *2021 Budget Law* brought EBFs into the budget, and the externally financed expenditures were included in the fiscal aggregates. Moreover, starting form the first quarter of 2021, the authorities plan to also include OBAs of budgetary organizations in the budget execution reports. To strengthen fiscal reporting, the authorities have prepared an inter-agency directive obliging all state-owned enterprises (SOEs) to report comprehensive data on a regular basis using uniform report forms. The directive should come into force in mid-2021.

57.   The GFSD within the Budget Department is responsible for the compilation of GFS. Following the June 2018 Fiscal Transparency Evaluation conducted by the IMF's Fiscal Affairs Department in cooperation with STA, the authorities took immediate steps to set up institutional arrangements and established a new division. Its mandate is to implement the ISS for fiscal reporting, compile and disseminate GFS based on the *GFSM 2014*, and promote fiscal transparency. The GFSD is composed of six staff members including two managerial positions, two GFS compilers, and two staff responsible for fiscal transparency issues. Its staff works closely with the other Budget Department staff responsible for the budget execution based on the national methodology and with the TSA Division playing a role of source data provider.

58.   Compilation of debt statistics is performed by DEPDD of the MOF. The division responsible for debt statistics includes four staff members, and its mandate is to facilitate debt service operations in addition to debt reporting. The staff are heavily involved in the implementation of the DMFAS, in particular to input manually historical data and records on all debt contracts and related operations into the system. Consequently, there is currently very little capacity to develop required source data on debt related operations, which are critical for the budget, overall GFS, as well as for ESS compiled by the CBU, and to work on the implementation of ISS for debt reporting.

59.   Increasing human resources assigned to the compilation of GFS and debt statistics would significantly speed up the implementation of government ambitions to implement ISS. Based on the practice in other countries, the number of staff involved in the compilation of high-frequency and annual GFS and debt statistics, alongside with the implementation of ISS in the national fiscal reporting is typically higher than currently assigned in Uzbekistan. In particular,

the current staff are, in addition to their main mandate, involved in numerous other projects running in parallel. This doesn't enable staff to ensure sufficient quality and reliability of statistical reporting. Furthermore, there is room to improve the coordination and prioritization of the tasks assigned to GFS and debt statistics compilers as debt statistics are an integral component of the GFS framework.

Recommended Actions:

- Establish a regular coordination mechanism between the GFS unit and the Debt Management Department, to ensure the needs of GFS are met, and consistency and integrity of GFS and debt statistics is achieved.

- The MOF to consider increasing staff resources assigned to compiling GFS and debt statistics (one-two additional staff for each unit).

Methodological Soundness

60.   The MOF compiles GFS in accordance with the *GFSM 2014* methodology, but there is room for improvements. Annual data on GGO are disseminated via the IMF database on a regular basis. The MOF has recently also started submitting quarterly GGO data for publication in *IFS*. However, the data disseminated so far do not include OBAs of budgetary organizations, externally financed expenditure, and on-lending financed by external debt. Moreover, transactions in currency and deposits are not comprehensive and are not reconcilable with MFS. In addition, lending and equity injections provided by the government and the Fund for Reconstruction and Development (FRD) for policy purposes are all treated below the line as acquisition of financial assets while they may contain some nonrecoverable flows which should be classified as expenditure.

61.   The recent improvements in budget reporting facilitate the foreseen expanding of GFS coverage and meeting SDDS requirements by end-March 2022 (see Table 2). Regarding the required monthly CGO data, the current reporting is limited to operations conducted through the budget accounts. Monthly source data on the central government OBAs and EBFs will become available from the second quarter of 2021, enabling the compilation and dissemination of monthly CGO in line with the SDDS by November 2021. Though it is not feasible at this stage to collect data on externally financed expenditure and on-lending on a monthly basis, they will become available on an annual and quarterly basis for 2021 data and onwards. Accordingly, the gaps in the coverage of annual GGO data will also be eliminated. These developments will allow the coverage of GFS reporting to be significantly improved and the SDDS requirements for fiscal data to be met by end-March 2022. Furthermore, data on non-market SOEs[4] should become available on a quarterly basis from end-2022.

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[4] OBAs of budgetary organizations belong to the budgetary central government units and thus need to be consolidated within the budgetary central government. The non-market SOEs controlled by the central

Table 2. Uzbekistan: Expanding the Coverage of GFS by end-March 2022

	Budget accounts of budgetary organizations	EBFs (Targeted Funds, FRD) and SSFs	OBAs of budgetary organizations	Externally financed expenditure	Externally financed on-lending	Non-market SOEs
Annual data	✗	✗	✓	✓	✓	End-2022
Monthly data	✗	✓	✓			

Note: current coverage: ✗; expanding the coverage by March 2022: ✓.

62.   Debt reporting is currently based on a national methodology and needs to be aligned with ISS. The MOF disseminates on a quarterly basis a table on "public" debt in U.S. dollars which, according to the national methodology, includes the state budget debt and SOE's debt guaranteed by the government. The national definition does not include debt liabilities of other government units and those of public corporations that are not guaranteed by the government. In addition, other accounts payable are omitted, and a part of guaranteed debt should be added in the government debt as it is serviced by the government. Debt reporting can be expanded by adding data on domestic debt and accounts payable, which will become available by end-2021 and end-2022, respectively. Moreover, the recent progress in developing DMFAS should allow debt to be broken down by maturity, instrument, and currency breakdowns, and integrated stocks and flow data in domestic currency (distinguishing transactions, revaluation, and other changes in volume) to be compiled. Implementing the above-listed improvements will significantly increase the quality of debt reporting in line with ISS and will better serve GFS needs.

63.   To expand further the sector coverage, the MOF compiled a register of public entities and analyzed their sector classification. The MOF reviewed around 2,900 entities controlled by the central and local governments engaged in nonfinancial activities and identified 160 non-market units, of which 150 unitary enterprises operating like government ancillary units, and 10 enterprises which do not operate like market producers based on the quantitative market/non-market test. Units involved in financial activities (i.e., banks) were not analyzed under the assumption that they all operate on a market basis. The estimated impact of the identified non-market units will be rather small (revenues and expenses of less than 0.05 percent of GDP; data on capital expenditure are not available). As soon as the list of units is finalized based on the agreement with the CBU and SSC, and the interagency consultation on the reporting forms is concluded, the MOF will start collecting data and will work on their incorporation into the GFS. In parallel, the DEPDD shall also expand the coverage of debt statistics by adding debt liabilities of those non-market public units not currently incorporated.

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government will be consolidated within the central government EBFs alongside the Targeted Funds, FRD, and SSFs. The non-market SOEs controlled by local governments will be consolidated within the local government subsector.

Recommended Actions:

* Improve the quality of the GFS and debt data by including financing operations (including those financed by external debt) currently not passing through the TSA and budget, using actual data on transactions in deposits (reconcilable with MFS) and applying on a quarterly basis quality checks using the Stock-Flow-Adjustment" (SFA) analytical tool for individual general government subsectors, as was recommended by the 2018–2020 TA missions.

* Ensure availability of data on the stock of other accounts payable of the central government and include in debt reporting.

* Examine the recoverability of policy lending to proper classify each of them as expenditure or financing.

* Collect data on non-market SOEs and include in GFS and debt data on a pilot basis.

* Following compilations on a pilot basis, start disseminating GFS and debt statistics including non-market SOEs.

Source Data

64.   The main source data for the GFS compilation is the budget execution processed by the TSA Division and accessible through the Government Financial Management Information System (GFMIS). Although the nationally based fiscal data presented in the budget execution reports are based on the old *GFSM 1986* methodology, the economic classification used in the budget provides in general sufficient details and allows to compile GFS in accordance with the *GFSM 2014*.

65.   The MOF has recently made significant improvements in the coverage of the budget. Starting from 2020, the Consolidated Budget was expanded to include externally financed expenditure (although not yet included in GFS reporting), all Targeted (extra-budgetary) Funds, and the FRD. Since 2021, operations passing through OBAs of budgetary organizations are also included. The MOF also took some steps to bring the national presentation closer to ISS (by excluding repayments of the debt principal from expenditure), presenting the *GFSM 2014* based budget and a reconciliation table explaining the differences with the national presentation. On the other hand, externally financed on-lending to domestic enterprises for policy purposes remains outside the budget reporting. Furthermore, detailed data on policy lending that would allow analysis of its recoverability are not available. Regarding non-market SOEs, the MOF developed special reporting forms (quarterly) which are currently being discussed with the CBU and SSC for agreement. It is expected that collection of data for the non-market SOEs will start after mid-2021.

66.   DMFAS is currently being developed to provide data on CGD. DMFAS already includes historical data on the state budget external debt, and data entry on domestic debt is underway. The system covers loans and debt securities issued by the state budget. Local governments do not issue debt in Uzbekistan. Other accounts payable liabilities are not covered in the system. DMFAS is still under development and does not yet allow to easily extract timely data on the use

of external debt (financing of the government expenditure, disbursements and repayments of on-lending, placement of funds in deposits, and others as relevant). The system should be improved to allow reconciling stocks and flows (distinguishing transactions, revaluation, and other changes in the volume), and automating the compilation of debt reports as required by the *GFSM 2014* and *Public Sector Debt Statistics Guide (PSDS Guide)*.

Recommended Actions:

- Examine possible ways to collect data and/or compile reliable estimates on a monthly, quarterly, and annual basis on the externally financed government expenditure.

- Collect information to assess the recoverability of policy lending (loans and equity injections) provided by the state budget, FRD, and STFs, as recommended by the 2018 and 2019 TA missions.

- Include in TSA all OBAs and gradually ensure timely data availability on all operations, including those not passing through the government accounts (e.g., externally financed expenditure, on-lending).

- Improve the DMFAS by incorporating data on domestic debt, tracking the use of external debt (financing of the government expenditure, disbursements and repayments of on-lending, placement of funds in deposits, and other as relevant), allowing the reconciliation of stocks and flows (distinguishing transactions, revaluation, and other changes in the volume), and automation of the compilation of debt reports as required by the *GFSM 2014* and the *PSDS Guide*.

Serviceability and Accessibility

67. Reconciliation between the nationally based budget execution and the *GFSM 2014* based reporting enhances the transparency of GFS compilation. The MOF initiated the compilation of such a reconciliation table with TA provided by STA in 2019. The completed table was attached to the President's Budget Message for 2020. Dissemination of the reconciliation table, including an explanatory note, provides an important tool to gradually explain to the Parliament and public the differences between the national and international concepts, especially in view of the planned harmonization of the national budget with ISS. Further advantages are that the table identifies specific items in the national presentation that should not be classified as revenue and expenditure under *GFSM 2014*, quantifies gaps in the coverage of the budget data, and eventually affirms the accuracy of GFS derived from the budget reporting.

68. On the other hand, the existing internal and inter-sectoral inconsistencies point to potential issues in GFS and debt statistics quality. While presentations of the GFS and debt statistics seem to be broadly consistent, there are several issues that will require more attention, as follows:

- Internal consistency: It is difficult to check the consistency between above and below the line operations since for the time being not all operations are included (such as OBAs, on-

lending), and consequently transactions in currency and deposits are derived as a balancing item. Furthermore, debt statistics do not provide yet data on transactions in domestic currency that are reconciled with the stock data and operations recorded in GFS. Moreover, unavailability of a balance sheet doesn't allow checking the reliability and comprehensives of other financing operations, especially transactions in financial assets as currently reported in GFS (e.g., deposits, loans, and equities).

* Inter-sectoral consistency: The MOF and CBU have been successfully working on the reconciliation of data on the outstanding amounts of government deposits as reported in GFS and MFS. Data on government claims on banks and liabilities to banks have not been reconciled yet. Moreover, some differences also exist between the data on the government external assets and liabilities as reported by the MOF and the CBU in the BOP and IIP.

Recommended Actions:

* Start regular reconciliation of the debt related stocks and flows (transactions, revaluation, and other changes in the volume) and ensure integrity of the debt statistics and GFS.

* Prepare and disseminate the reconciliation table between the budget execution based on the national format and the *GFSM 2014* methodology, and provide it to MCD at least on a quarterly basis. Disseminate the reconciliation to educate users of fiscal data.

* Disseminate on a regular basis the reconciliation between the national budget presentation and *GFSM 2014* to educate users of fiscal data.

* Start reporting to the World Bank/IMF Quarterly PSDS Database.

* Publish explanatory notes to reflect gradual improvements in GFS and debt statistics towards ISS.

* Disseminate SFA data on an annual basis.

Capacity Development Needs

69.   Whereas there is no need for specific TA to implement the SDDS requirements, the authorities would benefit from TA over the coming years. In particular, priority should be given to increasing staff capacity in the compilation of PSDS, including training and hands-on assistance to compile data based on the *PSDS Guide* and data on integrated stocks and flows. Second, the GFS team would benefit from a GFS training and TA on the treatment of policy lending, compilation of GFS for non-market SOEs, compilation of a financial balance sheet, and implementation of the SFA quality check tool. The newly established CCAMTAC will provide CD services (TA and training) on GFS and debt statistics.

D.   Monetary and Financial Statistics

Legal and Institutional Arrangements

70.   The *Law on the Central Bank of the Republic of Uzbekistan (Central Bank Law)*, last

amended on November 19, 2019, assigns the responsibility for compiling monetary statistics to the CBU. Article 12 of the *Central Bank Law* lists the compilation and dissemination of monetary statistics and ESS among other functions of the CBU. It also ensures the legal mandate for statistical reporting and specifies CBU's responsibility for data dissemination. Article 58 of the *Central Bank Law* (i) instructs the CBU to create and maintain an information network to share statistical data with reporting institutions and relevant state authorities; (ii) mandates the CBU to coordinate with relevant state bodies the rules for the collection, processing, storage, and dissemination of statistical data; and (iii) entitles the CBU to request and obtain information (including confidential information) from relevant state bodies or directly from business entities as provided by law.

71.   The CBU's legal mandate for data collection and dissemination of monetary statistics is further strengthened in the following articles of the *Central Bank Law*:

- Article 11 entitles the CBU to request and obtain the necessary information from state authorities and organizations to exercise its functions.

- Article 55 states that the CBU and government authorities engage in continuous exchange of relevant statistical information for purposes of fulfilling their assigned objectives, and the government and state bodies provide the CBU with economic information needed to perform its functions.

- As part of CBU's supervisory functions, Article 61 mandates the CBU to establish rules for conducting financial transactions, accounting, compiling, and submitting financial and supervisory reports from commercial banks, microcredit organizations, pawnshops, and mortgage refinance companies.

- As part of CBU's monetary policy functions, Article 27 mandates the CBU to disseminate monthly on its official website "key monetary indicators, including the movement and structure of money supply, statistical information on the banking system, and summary data on transactions of the Central Bank."

72.   The financial sector is regulated by several corresponding laws and bylaws for different categories of financial corporations (FCs) and for specific aspects of their activities. The *Banks and Banking Activities Law* (last amended in November 2019) regulates the establishment and functioning of commercial banks, and the *Microcredit Institutions Law* (2006) regulates the activities of microcredit organizations. Insurance companies (ICs) are regulated by the *Insurance Activity Law* (2002) and supervised by the Insurance Market Development Agency (IMDA), which was established in July 2019, within the MOF. Even though leasing companies (LCs) are not subject to any licensing or supervision requirements, their activities are regulated by the *Law on Leasing* (1999). Several other laws, such as the *Consumer Credit Law* (2006), the *Payment and Payment Systems Law* (2019), the *Foreign Exchange Regulation Law* (last amended in November 2019), and the *Mortgage Law* (2006), govern specific aspects of FCs' activities.

73.   Within the CBU, the SRD is responsible for the compilation of monetary statistics. The

CBU's ARD and Prudential Supervision of Credit Organizations Department (PSCOD), in their role as data providers, have an important role in ensuring availability of adequate source data meeting the requirements of monetary statistics and proper application of statistical methodology. The ARD is the custodian of the COAs of the CBU and commercial banks, which are the sources used by the SRD to compile monetary statistics for the central bank and ODCs.

74.   The ARD produces the balance sheet of the CBU. When commercial banks close their balance sheet, it is sent electronically to the CBU. The balance sheets are checked and reside in the CBU's Informational Storage of Banking System (ISBS) database. The SRD obtains the balance sheets of the CBU and commercial banks, including granular data for several accounts and by banks from the ISBS. Soon after the end of each month, the SRD can check the availability of data directly in the ISBS. The SRD is also able to get additional information from the ISBS, such as the reason for sudden increases or decreases in specific accounts and the counterparty sector of any transaction. If further information is needed, the SRD contacts ARD, and if ARD is not able to address the query, the SRD contacts the PSCOD.

75.   The CBU, MOF, and SSC signed a MOU in March 2020 to ensure information sharing between the three institutions. The CBU started sharing data with the MOF in the table that was designed by the previous MFS mission to compare the central government positions in the MFS and GFS. The CBU supplements the table with more granular data to assist in the reconciliation exercise. The sharing of information takes place on a quarterly basis. On a few occasions, the MOF has asked for more detailed information after reviewing the data. The monetary data did not need revisions as a result of this reconciliation exercise as the inconsistencies were insignificant.

76.   The *Strategy 2020−25* supports the CBU's ongoing efforts to improve the quality and coverage of MFS in line with the latest ISS and implement the *MFSMCG* methodology. It plans for the expansion of the institutional coverage of monetary statistics to include other financial corporations (OFCs) and establishment of a legal framework for data reporting by ICs, LCs, and other OFCs for the compilation of monetary statistics for OFCs.

77.   The SRD is composed of the following two divisions: Monetary and Financial Statistics Division (MFSD) and Macroeconomic Analysis, Forecasting and Research Division. The MFSD is responsible for the compilation and dissemination of MFS and lending and deposit interest rates. Within the MFSD, the Monetary Statistics Unit (MSU) is responsible for the work on monetary statistics of the central bank and ODCs, the Other Financial Corporations Statistics Unit (OFCSU) for the developmental work on OFCs, the Banking Statistics Unit (BSU) for interest rates, and the Publication and Dissemination of Statistical Data Unit (PDSDU) for dissemination of data through bulletins, website, and statistical platforms.

78.   The MFSD has 13 professional staff and eight of them (three from MSU, two from OFCSU, two from BSU, and one from PDSDU) are dedicated full-time to the compilation of monetary statistics supported by the head of the MFSD. All MFSD staff have higher education degrees, and most staff have experience in compiling monetary statistics. The mission is of the

view that the MFSD has adequate human resources to conduct the MFS compilation work on the central bank, ODCs, and interest rates and developmental work on OFCs.

79.   Facilities, available computers, and other IT resources seem to be adequate to perform the required tasks. Each staff member has a computer. Computers are linked by a local network within the MFSD and with other departments of the CBU. A network line is also available for accessing the ISBS.

Methodological Soundness

Concepts and Definitions

80.   The concepts and definitions underlying monetary statistics are broadly consistent with the *MFSMCG* methodology. Even though there are some departures from the methodology in valuation, instrument classification, and sectoring of accounts for the CBU and ODCs as discussed later in the report, their impact is small on the overall quality of the data. The upcoming compilation of monetary statistics for the OFCs will enhance the availability of broader monetary concepts.

81.   The definition of monetary base is aligned with the *MFSMCG* methodology. It comprises currency in circulation, central bank liabilities to ODCs except restricted deposits, and deposits included in broad money of money-holding sectors with the CBU.

82.   The definition of broad money is broadly aligned with the *MFSMCG* methodology. It includes currency outside DCs (currency in circulation less currency held by ODCs), transferable and other deposits of money-holding sectors with the CBU and ODCs and debt securities issued by ODCs held by money-holding sectors. The departures from methodology are the inclusion of deposits to cover letters of credit and deposits longer than one year. Even though previous missions recommended the exclusion of these restricted deposits from broad money, the SRD believes that these deposits have a maturity of up to six months and remain as means of payment for imports. This departure is noted in the *IFS* metadata but not yet in the CBU's *Statistical Bulletin* nor in the section on monetary statistics in the CBU's website. The 2019 mission recommended that the SRD obtain the breakdown of deposits by original maturity and exclude those of over one-year from broad money. The SRD is planning to request this information in the upcoming revision of the COA of commercial banks.

Scope

83.   The institutional coverage of the central bank survey (CBS), the other DCs survey (ODCS), and the DCs survey (DCS) is complete and in line with the *MFSMCG*. The DCS covers the CBU and the 31 resident commercial banks licensed by the CBU, which are all the FCs meeting the definition of ODCs. Commercial banks dominate the financial sector in Uzbekistan, constituting more than 95 percent of total assets of the financial system. The structure of the financial system is presented in Appendix IV.

84.   The CBU does not yet compile the OFCs Survey (OFCS). OFCs in Uzbekistan comprise ICs, LCs, microcredit organizations, pawnshops, mortgage refinancing companies, and financial auxiliaries. The financial auxiliaries comprise the TRSE, minibanks, money transfer offices, exchange offices, banking service centers, and 24/7 self-service offices. With the exception of the TRSE, the rest of the financial auxiliaries are part of the commercial banks, therefore, their assets and liabilities are included in the balance sheets of commercial banks. LCs and ICs comprise the majority of the OFCs subsector.

85.   The CBU is committed to obtaining universal coverage in the monetary statistics. Due to the small size of the OFCs subsector, now comprising less than five percent of total assets of the financial system, the previous mission recommended that the CBU conduct a cost-benefit analysis on the merits of compiling a quarterly OFCS. The CBU decided to compile monetary statistics for the OFCs as their relative importance is increasing. The TA mission that took place immediately after this mission provided assistance to the CBU in compiling the OFCS.

Classification/Sectoring

86.   The classification of financial instruments and sectoring of institutional units used in the compilation of the monetary statistics of the central bank and ODCs broadly follow the *MFSMCG* recommendations. However, the lack of sectoral breakdowns in several important accounts in the COAs hampers the quality of the data. Even though positions with most economic sectors are affected, these shortcomings particularly affect positions with the central government. Significant resources were devoted during the last mission to reclassify improperly classified accounts, and the SRD will have to continue this work to ensure that the sectoring of accounts accurately reflect positions with the economic sectors.

87.   To address the shortcomings in the COAs of the CBU and commercial banks, the previous mission recommended introducing additional breakdowns in some accounts to allow for a proper identification and sectoring of all financial instruments. Even though several accounts were introduced in the COAs to reflect new operations and some existing operations, the sectoral breakdown needed for some accounts has not been made. Due to the worldwide COVID-19 pandemic, the work on the revision of the COAs has been delayed, but it is expected to be completed by the end of 2021. The SRD and ARD are working closely in this endeavor to ensure that the COAs contain all the needed sectoral breakdowns.

88.   It will be important to ensure that the revised COAs meet all the data requirements of the standardized report forms (SRFs) and fully allow the compilation of monetary statistics aligned to the *MFSMCG*. Once the revisions have been finalized, the COAs should be sent to STA for review and comments to ensure that no additional breakdowns are needed.

89.   The CBU has made some progress in the adoption of the previous mission's recommendations by introducing some accounts in the COAs and adjusting the source data automatically through equations or manually by inputting corrected data. To avoid devoting resources to making these adjustments, it is imperative that the COAs be revised as

soon as possible. With these adjustments, the following problems were temporarily resolved:

- Positions with the FRD are now accurately reflected in the surveys as positions with the central government.

- The IMF Quota and IMF No. 1 Accounts were moved from off-balance sheet to on-balance sheet and therefore the COA of the CBU now records all IMF accounts on-balance sheet beginning in November 2019.

- Subordinated debt from nonfinancial corporations was reclassified from debt securities to loans.

90. The following issues will need to be resolved when the CBU revises the COAs of the CBU and commercial banks:

- The COA of the CBU does not separately identify some deposits of local governments, which are recorded as part of the central government's TSA account. Even though this does not affect broad money as the monetary behavior of local governments follows rules set by the central government, it distorts the net credit to the central government in the CBS and DCS. Until the COA is revised, the SRD has to request data on the local government deposits from the MOF so that they can be separated and properly classified in the central bank sectoral balance sheet (SRF 1SR).

- The COA of commercial banks allows the separate recording of accounts of public and private nonfinancial corporations for most instruments but not for all. This forces the SRD to estimate the breakdowns between these two sectors in some accounts by using coefficients to allocate the balances of the relevant accounts. The coefficients have been recently checked and there was no need to update them.

- Some positions with the FRD are included in accounts for OFCs and now must be manually adjusted to ensure proper sectoring. This manual adjustment will not be needed when the COA for commercial banks is revised. The mission discussed two possibilities with the ARD to address this issue. The ideal solution would be to create new accounts for the FRD, but it might not be possible as it would be having positions in the balance sheet with a single legal entity and could be against banking secrecy laws or would lead to requests from other institutions to create their own accounts in the COA. The other alternative would be to clearly request the reporting commercial banks to report positions with the FRD in specific accounts.

- Even though subordinated debt is now treated as a loan, the relevant accounts in the COA of commercial banks do not have a sectoral breakdown. The previous mission was able to make a sectoral distribution of the subordinated debt based on information from the commercial banks. This also required the recalculation of the formulas to distribute accrued interest payable on loans. The SRD recently contacted commercial banks to see if the distribution factors needed to be updated, but they have remained the same.

91. In addition, the accounts of the DGF, which is currently classified as an OFC, are mixed with numerous other central government accounts. To address this sectoring problem,

the previous mission recommended that the ARD remove all central government subaccounts from the accounts for OFCs. The SRD is working with the ARD on this issue and is planning to finish this work by the end of June 2021.

92.   An updated list of institutional units of the public sector, which would improve the quality of the data reported by commercial banks, is not yet available. The CBU has been cooperating with the MOF in the preparatory work to produce the list of institutional units of the public sector. The MOF has drafted an act that would allow them to collect financial data from SOEs and other entities in which the government or public units own an equity share and has sought feedback from the CBU on several occasions. The MOF convocated a meeting with the CBU and SSC in February 2021 to explain the work that the MOF has been doing in this area and gather further feedback and recommendations. The MOF is in the process of finalizing the preliminary list of non-market public units that should be added to the general government.

Recommended Actions:

- The SRD to send the proposed COAs for the CBU and commercial banks to STA for comments before it is finalized.

- In close collaboration, the SRD and ARD to introduce the necessary revisions in the COAs of the CBU and commercial banks.

Basis for Recording

93.   As the custodian of the COAs of the CBU and commercial banks, the ARD establishes accounting principles and rules for financial reporting for the CBU and commercial banks. Financial reporting follows International Financial Reporting Standards' (IFRSs) principles, and both the CBU and commercial banks follow accrual accounting to recognize assets and liabilities in the balance sheet. Flows and corresponding stocks are recorded at the time economic value is created, transformed, exchanged, transferred, or extinguished, rather than when payments are made. This approach is consistent with the *MFSMCG* recommendations. As documented by the previous mission, accrued interest receivables/payables are only available at the instrument level, without sectoral breakdown. In order to address this deficiency in the source data, estimations are made by the SRD to allocate the accrued interest to the different counterpart sectors. The lack of sectoral breakdown of accrued interest receivable/payable will be resolved when these data are requested in the upcoming revision of the COAs of the CBU and commercial banks.

94.   The CBU and commercial banks value negotiable financial instruments at market price or fair value, which is consistent with the *MFSMCG* methodology. Following the *MFSMCG* recommendations, monetary gold is valued at the London Bullion Market Association fixing price, which is market price, and equity on the asset side is valued at market prices, while equity liabilities are valued at book value. Nonnegotiable instruments, such as deposits and loans, are recorded at nominal value (amount originally advanced plus accrued but not yet paid interest, less any repayment of principal), which is also in line with the *MFSMCG*. Debt securities held for trading or available for sale are recorded at face value and the adjustments for market

prices are recorded in associated accounts (discount and premium). However, securities held to maturity are recorded at amortized cost following IFRSs, representing a departure from *MFSMCG*'s methodology.

95.   Foreign-currency denominated accounts are converted into domestic currency units at the official exchange rate determined and announced by the CBU on a daily basis. This rate is determined by the CBU as the weighted average of the TRSE's Interbank Trading System rate for the previous day, which can be considered a market exchange rate.

Recommended actions:

- The SRD to value the securities held-to-maturity at market price or fair value in the monetary statistics.

Source Data

96.   The source data for compiling SRF 1SR and CBS is the CBU's balance sheet, presented in a matrix format. Balances for each account are split by residency (resident/nonresident) and by currency (domestic/foreign currency). The COA of the CBU is specified in the document 623 approved by the CBU Board Resolution 28-A/1 of December 24, 2004. The balance sheet is produced by the ARD on a daily basis and is available in the ISBS usually the next working day. The SRD can check the availability of the CBU's balance sheet online.

97.   The source data for compiling the ODCs sectoral balance sheet (SRF 2SR) and ODCS is the aggregated balance sheet of commercial banks. The COA of commercial banks is very similar to that of the CBU, and their balances are also presented in a matrix format, with columns for residency (resident/nonresident) and currency of denomination (domestic/foreign) for each account. The data are reported by commercial banks to the CBU according to reporting instructions specified in the document approved by the CBU Board Resolution 1834 of July 11, 2008. The process of obtaining the balance sheet for commercial banks is similar to that of the CBU. After closing the books, the commercial banks upload their balance sheet to the ISBS on a daily basis, usually the next working day. The SRD can check the availability of the commercial banks' balance sheet online.

98.   The CBU collects balance sheet data for OFCs it supervises, namely microcredit organizations, pawnshops, and mortgage refinance companies. As LCs do not have a supervisory body, the CBU has been collaborating with the Uzbekistan Lessors Association (ULA) to obtain data that can be used in the monetary statistics. The CBU has also been collaborating with the IMDA, as the supervisory body of ICs, on obtaining data for ICs that can be used in the monetary statistics. The CBU has prepared reporting forms to collect balance-sheet data from LCs and ICs, based on the templates prepared by the previous mission. It is envisaged that these reporting forms will be introduced in the near future with the assistance of the upcoming TA mission. Close cooperation with the ULA and IMDA is needed to ensure that the requested balance-sheet data are adequate for monetary statistics purposes.

Recommended actions:

- The CBU to continue collaborating with the IMDA and ULA in the finalization of the reporting forms to be used by the CBU to collect balance-sheet data from ICs and LCs.

Serviceability and Accessibility

Periodicity and Timeliness

99.   The surveys for the central bank, ODCs, and DCs are compiled and disseminated on a monthly basis, with a timeliness of 20−22 days after the reference month. The SRD now waits until the data for both the CBU and ODCs are ready and disseminates the three surveys at the same time. In order to improve the timeliness of the data and since the CBS is available sooner to meet the SDDS timeliness requirement, the SRD agreed to disseminate each survey as soon as it is finalized.

100. The SRD usually is able to complete the compilation of the CBS in one week. Therefore, the timeliness could be significantly improved by disseminating it ahead of the rest of the surveys. In addition, this would guarantee meeting the SDDS timeliness requirement, which allows up to two weeks for the dissemination of the CBS. Work to finalize the ODCS usually takes between two to three weeks. Therefore, the timeliness of dissemination of the ODCS and DCS can also be improved and guarantee the timeliness requirements of SDDS, which allows up to a month for the dissemination of the DCS.

Recommended actions:

- The SRD to disseminate the surveys for the central bank, ODCs, and DCs as soon as each one is finalized.

Internal Consistency

101. The SRD has established procedures to regularly check the intra-sectoral positions. The SRD conducts this exercise at two levels, first checking the positions between commercial banks, and then between the central bank and commercial banks. After data are compiled, a close analysis is done by instrument and currency to ensure minimal inconsistencies in the data. The inconsistencies usually arise because of the time of recording in the commercial banks' accounts or the estimation of accrued interest as these data are not available in the COA. The SRD was able to correct large inconsistencies in the intra-sectoral positions with the assistance of the previous mission. In preparation for the current mission, the SRD conducted a careful review of these positions and eliminated most of them from November 2020 through January 2021. The remaining historical inconsistencies are low and of an acceptable level. The SRD will continue to devote resources to the elimination of the intra-sectoral discrepancies as they arise.

Inter-sectoral Consistency

102. The authorities have made efforts to start addressing the inconsistencies between

MFS and GFS, and the first step was the signing of the MOU between the CBU, MOF, and SSC for data sharing. This process has yielded positive results in the reconciliation between the monetary and fiscal accounts as there is a quarterly exercise in which the CBU shares with the MOF the DCs asset and liability positions with the central and local governments. During the mission, a reconciliation table was completed for 2019 and 2020 that showed that the CBU and MOF records were consistent for central government deposits with the CBU. However, this reconciliation could not be completed for the claims of the central government with the CBU and positions with the local governments, as the MOF was unable to provide the data during the mission. It is important that not only data are shared but that a regular reconciliation is conducted for all positions to ensure consistency between the monetary and fiscal accounts.

103. The sectoral allocation of institutional units is critical for MFS as well for other statistical domains. As noted above, the MOF has made progress in preparing a list of SOEs and other government-controlled units engaged in nonfinancial activities, and has identified the non-market units that should be added to the general government. During a joint meeting with the CBU and MOF, the importance of preparing and agreeing on a comprehensive list of all public sector units comprising central government, local governments, public nonfinancial corporations, and public FCs was raised. The MOF will work towards the completion of the list of general government units, while a complete public sector register should be prepared in coordination with the CBU and SSC. To ensure consistency between statistical domains, it is also important that the CBU prepare a list of the units that comprise the ODCs and OFCs subsectors and share this list with the reporting FCs as well as with the MOF and SSC.

104. During the joint meeting, the sectoring of the CPF and DGF was discussed. Participation in the CPF is mandatory for all employers and employees and voluntary for self-employed persons. Under the CPF, the pension savings accounts are kept at the People's Bank, a state-owned commercial bank, which maintains individual subaccounts for each person. As recommended by the previous MFS missions, these accounts are classified as Net Equity of Households in Pension Funds since they are similar to contributions to pension plans managed by autonomous pension funds. There are however some indications that the CPF is not an institutional unit and it doesn't fully operate as a financial intermediary. The DGF ensures payment of compensation to individuals' deposits with banks in liquidation or under receivership. Participation in the DGF is mandatory for all banks operating in Uzbekistan, and all the household deposits are fully covered by the DGF.[5] Furthermore, the DGF has a complete set of accounts, with its reserve liabilities invested in financial assets. The previous MFS missions recommended that the DGF be classified in the OFCs subsector.

105. Further investigation is necessary to decide on the sectoral classification of the CPF and DGF. The CBU and MOF will need to further analyze the detailed information on the operations of these institutions with a view to establish whether these are market or non-market units which will define to which economic sector the CPF and DGF will be allocated. The results of

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[5] See the DGF website for more details: http://fgd.uz.

the analysis should be shared with STA for consultation.

106. During the reconciliation exercise between MFS, GFS, and ESS, the mission noticed that the IMF financing to Uzbekistan through the RFI and RCF in May 2020, amounting to 275.6 million SDRs, is being treated as a liability to the IMF in both the MFS and GFS, resulting in double-counting the liabilities to nonresidents by the country. The financing is classified in the CBS as a liability to the IMF and on-lending to the central government on the asset side. The financing is treated as a liability to the IMF in the GFS and as a liability of the central government to nonresidents in the ESS. The CBU included the financing in its balance sheet as the CBU is the depository and fiscal agent with the IMF. The issue was discussed during the joint meeting, and it was recommended that the financing should not be included as a liability of the CBU for the following reasons: (i) the MOU between the MOF and CBU on the responsibilities for the treatment of this financing states that funds received by the government will be fully used to provide budget support, (ii) Article 3 of the MOU states that the funds received under RFI and RCF are a liability of the central government, (iii) Article 6 of the *Central Bank Law* prohibits the CBU from granting loans to the central government, and (iv) the MOF does not record any liability for on-lending from the CBU. The recommended treatment was also confirmed by MCD's country team for Uzbekistan.

107. Upon the confirmation of the Finance Department of the IMF that the exclusion of the IMF financing from the balance sheet of the CBU is an acceptable option, the SRD will coordinate with ARD the changes needed. These changes will entail the exclusion of the IMF financing under RFI and RCF from the liabilities side of the CBU balance sheet and the counterpart on-lending to the central government from the asset side. The promissory note that the MOF/CBU issued to the IMF for this financing should remain as a CBU off-balance sheet account. Once this financing is removed from the CBU's balance sheet, the SRD should make the needed changes in the bridge table that automatically generates the SRF 1SR. This change will automatically result in a decrease in the claims on central government coupled with a decrease in liabilities to nonresidents in the CBS.

108. There are large inconsistencies between the monetary statistics and IIP. The net foreign assets in monetary statistics should be consistent with the corresponding measure in the IIP and BOP. The lack of a formal reconciliation exercise between MFS and ESS was discussed during the joint meeting with MFS and ESS compilers. The December 2020 Financial Sector Stability Review mission found significant inconsistencies related to the recording of the IMF financing and to ODCs external liabilities, and smaller inconsistencies for most instruments. These inconsistencies signal the need for further coordination among compilers and potential source data quality and classification issues. It is very important to regularly assess intersectoral consistency and address any inconsistencies. It was agreed during the joint meeting that a formal reconciliation should take place between MFS and ESS.

Recommended actions:

- The CBU to prepare a list of the units that comprise the FCs sector and share this list with the reporting FCs, MOF, and SSC.

- Introduce the needed changes in the bridge table that automatically generates the SRF 1SR for the CBU when the IMF financing has been excluded from the CBU balance sheet.

- Exclude the IMF financing under the RFI and RCF, and the corresponding on-lending to the central government, from the CBU balance sheet, as per the MOU signed between the MOF and CBU.

- Disseminate revised data for the CBU, excluding the IMF financing, beginning in May 2020, on the CBU website and submit them to STA in SRF 1SR.

Accessibility

109. The SRD disseminates the CBS, ODCS, and DCS on the CBU's website, under a dedicated link for monetary statistics. The surveys are supplemented by additional accounts relevant to the country's circumstances. Monthly data are available beginning January 2013 and can be downloaded to Excel. The surveys have metadata explaining the components of key indicators. The SRD also disseminates tables on monetary aggregates and several deposit and lending interest rates. The data are available in English, Russian, and Uzbek. The policy rate is also disseminated in the main page of the website, as well as under the monetary policy tab, meeting the SDDS daily periodicity requirement as the table is amended every time a change in the rate is announced by the CBU. Monthly data on the policy rate are available in a downloadable format on the CBU website and through the NSDP. The CBU should consider making daily data available in downloadable format as well. The only information on the auctions of government securities is posted under the monetary policy tab only in Russian and Uzbek.

110. The SRD also disseminates a quarterly *Statistical Bulletin* on the CBU's website that includes the surveys for the central bank, ODCs, and DCs; monetary aggregates; and an expanded presentation of interest rates. The bulletin has a section on the methodology used to compile each table. Quarterly data are available for the last nine quarters in PDF format.

111. The SRD reports monetary statistics to STA using the SRFs 1SR for the central bank, 2SR for ODCs, and 5SR for monetary aggregates on a regular monthly basis. The SRFs 1SR and 2SR are used to automatically compile the CBS, ODCS, and DCS disseminated in *IFS*, along with the corresponding metadata.

112. The SRD also reports data on interest rates and share prices to STA in report form 6SR on a regular monthly basis. The current coverage of reported interest rates is comprehensive, and the only interest rate not reported is the rate on long-term government securities. The SRD agreed to start reporting the weighted average rate on treasury bills of more than one-year maturity in report form 6SR. The mission prepared the associated metadata in preparation for their dissemination in *IFS*. The mission also revised the metadata for the treasury

bill rate and prepared the metadata for the share prices, which were missing.

113. Since Uzbekistan participates in the e-GDDS, there is a dedicated link in the CBU's website for this purpose. The surveys for the central bank, ODCs, and DCs and data on interest rates are disseminated on a preannounced schedule, which is posted in the website. The user has the ability to download SDMX files and have access to the e-GDDS metadata.

Recommended actions:

- Update the metadata on broad money in the CBU website and bulletin to reflect the departures from the methodology recommended in the *MFSMCG*.

- Start reporting the interest rate on long-term government securities to STA in report form 6SR for publication in *IFS*.

Capacity Development Needs

114. The mission is of the view that the SRD may benefit from further TA to expand the institutional coverage to include OFCs. The CBU has received three TA missions on MFS since 2011, the last one taking place in July–August 2019. The main purpose of the follow-up TA mission, scheduled shortly after this diagnostic mission, would be to finalize the compilation of the surveys for the OFCs and FCs aligned with the *MFSMCG* methodology.

115. MFSD staff attend MFS courses organized by the IMF, other central banks, and international organizations. The majority of the MFSD staff have attended courses, specially at the Joint Vienna Institute. However, due to the worldwide pandemic several staff have only taken virtual courses. The MFSD will support the in-person attendance to training courses on MFS.

Recommended actions:

- The CBU to provide opportunities to the MFSD staff to attend training courses on relevant statistics.

E. External Sector Statistics

Legal and Institutional Arrangements

116. The CBU is the agency responsible for the compilation of ESS in Uzbekistan. *The Central Bank Law* and the *Foreign Exchange Regulation Law* provide the statistical mandate to the CBU to collect, process, store, and disseminate data. Article 12 of the *Central Bank Law* assigns to the CBU the responsibility for the compilation and dissemination of ESS, including BOP, IIP, EDS, and reserve assets. The same article makes the CBU responsible for setting regularly the domestic currency's exchange rate against key global currencies. Article 58 of the *Central Bank*

Law entitles the CBU to request and obtain information (including confidential information) from relevant government authorities or directly from businesses as provided by law.

117.   The MOF, State Customs Committee (SCC), and SSC are required by a Cabinet Resolution to provide the needed information to the CBU for the compilation of ESS. To enable adequate and timely sharing of data by ministries, state committees, and agencies, the Cabinet of Ministers of the Republic of Uzbekistan issued the Resolution No. 263 (dated April 3, 2018) On Measures to Support the Compilation of ESS of the Republic of Uzbekistan. The resolution holds the highest management of ministries and agencies personally responsible for timely submission of data to the CBU and SSC to enable the compilation of ESS, and for accuracy of such data.

118. In compiling ESS, the CBU relies on data from the SSC, MOF, SCC, commercial banks, and some other agencies, in addition to its own data. The CBU also conducts some surveys (including at border crossings) using its own resources and collects information from state-owned and private corporations alike. The CBU currently lacks adequate resources, particularly human resources, to conduct larger surveys and more extensive data collection to better support the compilation of ESS.

119. Within the CBU, the Balance of Payments Statistics Division (BPD) of the FRBPD is responsible for compiling Uzbekistan's BOP/IIP and EDS, and the IRMD compiles data on official reserves. Staffing of the BPD could be further strengthened to adequately address emerging statistical needs in the context of ESS. The BPD has two sections: (i) Financial Account and IIP Section, and (ii) Current Account Section. The allocation of responsibilities among the BPD staff is documented and seems to be optimal. At present, the BPD has eight staff positions, of which two have been vacant. The CBU is currently screening candidates and intends to fill the remaining vacancies shortly. Given that BPD workload increases as new types of statistics are introduced, the mission considers that it would be helpful to increase the number of BPD staff by one-two additional positions and a software developer.

Recommended Action:

- Consider increasing staff resources assigned to compiling ESS (one-two additional staff and one software developer).

Methodological Soundness

120. BOP and IIP are compiled in broad accordance with *BPM6*. At end-2017, the Ministry of Economy handed over the function of compiling country's BOP to the CBU. To that end, starting from 2018, the CBU has been compiling and publishing the BOP and IIP in *BPM6* format including revised versions of historical time series.

121. Whereas the coverage of BOP and IIP is broadly adequate, some shortcomings noted by previous TA missions should be addressed as they may be contributing to the large net errors and omissions. BOP and IIP cover a wide range of transactions and positions between

residents and nonresidents, broadly meeting the coverage standards. However, the estimation techniques for some items need further improvement. These issues were discussed in detail in the previous TA mission reports and relevant recommendations were provided, including the following:

- Estimates of *goods* should include unaccounted imports/exports arising from price or volume understatements in customs declarations. These data may be estimated by leveraging the mirror data of key trading partners.

- Data on *compensation of employees (credit)* need further improvement, especially with regard to splitting labor migrants into short- and long-term ones. Prior suggestions to include targeted questions in the SSC's household survey are yet to be implemented. The mission reiterated the need for adding these questions to allow distinguishing between short- and long-term employees.

- *Currency and deposits of households* have a significant weight in Uzbekistan's IIP. Due to the lack of direct data sources and the complexity of conducting proper sampling surveys for estimating foreign currency (cash) kept at home or deposits placed in overseas banks, this remains a difficult issue to address. The estimation methods used by the CBU are discussed in detail in the 2018 and 2020 TA mission reports on ESS and seem to be overstating the inflow and understating the outflow. Based on the recommendations of these previous missions, the CBU will need to explore appropriate methods for estimating the inflow/outflow of foreign currency. For example, some of the ratios used for estimating inflows and outflows need to be revisited as the share of physical foreign currency in total remittances inflows is likely decreasing due to increasing reliance on non-cash payments/transfer instruments especially during the COVID-19 pandemic. Other approaches to be explored include the possibility of collecting the relevant information using the household survey or estimating the overall physical flows of foreign currency crossing the borders by collecting data from the relevant institutions (financial and nonfinancial corporations) and relying on surveys at the airports and border crossings.

122. The classification of transactions in the BOP and positions in the IIP as well as their allocation into relevant sectors is in conformity with *BPM6* and follows the list of standard components. However, several issues were identified for an improved quality of ESS, as follows:

- *Trade credit and advances* are not split into trade credits between affiliated enterprises and other enterprises; therefore, all trade credit and advances are classified under other investment understating DI figures. The pros and cons of the two sources of information (SSC and a special banking system) are discussed in the 2020 TA mission report with recommendations made to improve both sources.

- *Government-guaranteed debt* was included as debt of the general government sector rather than being allocated to the respective sectors. The 2020 mission provided guidance on the proper allocation of government guaranteed debt which were implemented by the CBU in

cooperation with the MOF. The CBU is now in a position to disseminate the data in the context of BOP/IIP.

123. The SSC compiles and disseminates monthly statistics on merchandise trade in accordance with the *International Merchandise Trade Statistics (IMTS): Concepts and Definitions (2010)* **on a cumulative rather than discrete basis.** The mission recommends disseminating the IMTS data on a monthly discrete basis in line with the SDDS requirement.

124. As of December 2020, the CBU started generating extended QEDS in line with the *EDS Guide.* The CBU used to compile and disseminate on its website a simplified External Debt Table (with breakdowns by institutional sector, instrument and maturity) derived from the IIP with limited number of components. The extended tables, which the CBU disseminated shortly after the mission on March 26, 2021, address the main shortcoming of the existing EDS data and adequately allocate the government-guaranteed debt to the relevant sectors rather than including under the government sector (see also paragraph 148 on meeting the SDDS requirements). Shortly after the mission, the CBU also submitted the core tables on EDS to the World Bank for dissemination in the QEDS Database.

125. The CBU plans to disseminate data on the debt-service payment schedule for outstanding debt. The CBU will obtain from the MOF the schedule of principal and interest payments for public debt and government-guaranteed debt of other sectors. This information is necessary for compiling the SDDS-encouraged table on debt-service payment schedule.

Recommended actions:

* Further improve the quality and coverage of the BOP/IIP statistics in line with *BPM6*, aiming for reduced net errors and omissions.

* Improve the estimates of unaccounted imports/exports of goods by using mirror data of the main trading partners.

* Improve the data on compensation of employees (credit) by adding questions in the household survey to distinguish between short- and long-term employment.

* Improve the estimates of foreign currency (cash) holdings of households to take into account the unrecorded inflows/outflows of foreign currency.

* Separate trade credit and advances between affiliated entities from other trade credits and reclassify them from other investment into DI.

* Allocate government-guaranteed debt to the appropriate institutional sectors in accordance with *BPM6* methodology.

Source data

126. The CBU receives the main source data for compiling BOP, IIP, and EDS from the SSC, SCC, MOF, and commercial bank reports. Additional sources include the International Transactions Reporting System (ITRS), administrative data from various agencies (including the

Committee for State Border Protection), CBU's own surveys, other CBU units, and IMF website.

127. The major data source for IMTS is the SCC, which supplies data to SSC on a monthly basis. The SSC additionally receives data on exports of nonmonetary gold (from CBU) and imports/exports of natural gas and crude oil transported through pipelines as well as information on the imports/exports of electricity. The main data source for the goods component of the BOP is information prepared on the basis of the Customs Declaration Database (CDD), which the CBU receives on a monthly basis from the SCC. The CDD contains information about all goods that cross Uzbekistan's border. Based on additional information on customs regimes, the CBU selects the relevant items for inclusion in *Goods* item. The October 2018 mission report describes this procedure in detail. Further adjustments consist of the following: (i) goods procured in airports by carriers, (ii) estimated data for shuttle trade; and (iii) conversion of CIF prices into FOB prices. The main source for services line item is the SSC. For estimating services, the CBU also uses information received from the national air company, Uzbek Railways, Committee for State Border Protection, Ministry of Foreign Affairs, and commercial banks.

128. One of the main sources of data for the BOP and IIP is the SSC survey on foreign economic activities of nonfinancial corporations. This survey covers a wide range of data on assets and liabilities of nonfinancial corporations. Information is collected on both flows and original currency balances for all components of DI (equity, reinvested earnings, and debt instruments) and portfolio investment (equity only). A major drawback of the SSC survey is the limited coverage of companies. As the previous missions recommended, the SSC should improve the coverage and quality of this survey.

129. Information on DI collected from nonfinancial corporations is complemented by data from the CBU's survey of enterprises on product sharing agreements. Further, the compilation of DI and portfolio investment is complemented by the reporting of commercial banks, which also provide information on debt instruments in the reporting form for DI.

130. The MOF is the data source on government loans and government-guaranteed loans. The MOF also provides data on accrued interest (accruals and payments in the reporting period, stock of accrued but not paid interest), on the schedule of future payments (principal and interest), and on government debt securities (face value).

131. Since 2018, the CBU has introduced the ITRS, which is an auxiliary data source for BOP. The IRMD compiles data on reserve assets for the BOP and IIP in accordance with the *BPM6* methodology, using the CBU's accounting report as the source. The CBU uses data from the IMF website to calculate the holdings of and allocations of Special Drawing Rights (SDR) and the interest accrued thereon. Data from the IMF website are also used for cross-validation.

132. The CBU uses the same data sources as for the IIP to compile EDS. All the information on foreign assets and liabilities is collected in the original currency and contains data on flows during the period and on positions at the beginning and end of the reporting period. For conversions, compilers use the CBU's official exchange rates against the U.S. dollar and other

currencies, which are set as explained in paragraph 141 below.

133. The IRMD is working on the compilation of the Reserve Data Template. The two main data sources are the CBU and MOF. The CBU seems to have all the necessary data to compile its part of the Reserves Data Template, which needs to capture all the predetermined and contingent short-term net drains on the CBU's foreign currency assets. This means that all the deposits in foreign currency (of the central government and of all the others, including nonresidents) on the liabilities side if CBU's balance sheet should be included in Section II.1 of Table 6.1 in the *SDDS Guide* as pre-determined outflows of up to 1 month for demand deposits and within the relevant residual maturity bucket for time deposits.

134. The data required from the MOF on predetermined and contingent short-term net drains on the CBU's foreign currency assets can be compiled only for external liabilities but are not yet available for domestic lending and borrowing. The MOF expects to enter into the DMFAS and manage the data for all domestic loan contracts. Once this is done, the MOF should be able to extract monthly data on predetermined and contingent inflows/outflows resulting from central government domestic borrowing and lending in foreign currency, on central government liabilities denominated in foreign currency and settled in domestic currency, and on government guarantees on loans in foreign currency and with short-term remaining maturity. The mission understands that the underlying positions on these government assets/liabilities are considerable, which is why the associated inflows/outflows and the relevant position need to be captured in the Reserves Data Template.

Recommended actions:

- The SSC to improve the quality of the survey for foreign economic activities of nonfinancial corporations. In particular, increase the number of surveyed enterprises, improve the quality of data input for the questionnaire, and regularly update the list of respondents.

Serviceability and Accessibility

135. The BOP, IIP and EDS are internally consistent but there are large discrepancies between IIP and MFS. The BOP and IIP data are reconciled, and so are IIP and EDS. However, ODCs' external liabilities in the MFS is twice as large compared to the IIP. The underlying reasons of this discrepancy needs to be explored by the CBU. This issue was also highlighted during the Financial Sector Stability Review of Uzbekistan that was conducted in December 2020. To that end, it is important for the authorities to establish a mechanism to regularly conduct consistency checks among the relevant datasets (i.e., MFS, ESS, GFS and NAs).

136. The CBU disseminates preliminary quarterly BOP and IIP data within 75−80 days after the end of the reference quarter and final annual data within three quarters after the end of the reference year. The periodicity and timeliness for BOP thus meet the SDDS requirement, while for IIP the periodicity exceeds the requirement. The data are easily accessible on the CBU website with the possibility of downloading in Excel format.

137. Shortly after the mission, the CBU disseminated on its website quarterly EDS within one quarter after the reference period. Once this practice is followed regularly, the SDDS periodicity and timeliness requirement will be met.

138. The SSC disseminates monthly IMTS 26 days after the end of the reference month. This complies with the SDDS requirement in terms of periodicity and timeliness.

139. The CBU disseminates monthly data on official reserve assets on the 21st day after the end of the reference month. This does not meet the timeliness requirement of the SDDS, which is one week. The CBU is able to disseminate reserve assets within one week after the reference month and intends to do so starting with data for March 2021.

140. In February 2021, the CBU began setting daily official exchange rates for the domestic currency against major world currencies. The official exchange rate for the U.S. dollar is calculated as the weighted average of the Tashkent Republican Stock Exchange's (TRSE) Interbank Trading System rate of the previous day, with exchange rates for other currencies calculated as cross rates using Refinitiv or Bloomberg. These official exchange rates are disseminated daily on CBU's website including in a downloadable format, in accordance with the SDDS requirement for periodicity.

141. The CBU should make the metadata for each ESS dataset available on its website and update regularly. Metadata are key to inform data users of the specific underlying characteristics of statistics, highlighting the important aspect of the compilation methodology.

Recommended actions:

- Prepare and publish metadata for each ESS dataset on the CBU website and update them regularly.

Capacity Development Needs

142. The capacity of the BPD staff to better understand statistical methodologies could be improved through participation in relevant trainings. As of March 2020, only three of the six employees have completed special training courses that are relevant for ESS. The new hires are advised to take the opportunity of the new IMF online basic training course on BOP and IIP, as well as complete other training courses on ESS at the regional training centers or virtually, while more experienced employees may be nominated for participation in more advanced courses including those held by the IMF in Washington, D.C. The authorities could also leverage the CCAMTAC for their CD needs including through peer learning activities.

143. Whereas there is no need for specific TA to implement the SDDS requirements, the authorities would highly benefit from further support on ESS over the coming years. TA should focus on the implementation of the action plan developed by the mission and the outstanding recommendations of the previous missions to improve the overall quality of ESS with a particular focus on reducing the net errors and omissions in BOP.

Recommended actions:

- Nominate relevant staff for participation in the IMF trainings and workshops, including virtually, to further improve their understanding of the *BPM6* methodology and EDS.

F. Special Data Dissemination Standard

144. Uzbekistan already meets the SDDS requirements for half of data categories and would need to improve the coverage, periodicity, and/or timeliness for the other categories to fully satisfy the requirements (see Table 3). The only data category that Uzbekistan does not yet compile is the Reserves Data Template. All the three fiscal sector data categories do not yet meet the SDDS coverage requirements, although the relevant actions are underway. For the external sector, at the time of the mission the coverage of external debt needed to improve to meet the SDDS requirement (see also paragraph 148). Further, quarterly GDP, IPI, and merchandise trade statistics are currently disseminated on a cumulative basis, whereas the SDDS requires dissemination of discrete data for each reporting period. According to the SDDS subscription Action Plan, which the mission developed jointly with the authorities, these gaps in coverage and a few improvements in periodicity and timeliness will be addressed by end-2022 clearing the way for Uzbekistan's SDDS subscription. The remainder of this section presents the state of play for data categories in each statistical domain, followed by the mission recommendations to attain SDDS subscription.

145. All data categories for the real sector meet the SDDS requirements, except that the quarterly GDP and monthly IPI are compiled and disseminated on a cumulative basis. The SDDS requires that NA data cover transactions for discrete quarterly periods (*SDDS Guide*, paragraph 3.2), which by extension also applies to other statistics that feed into the quarterly GDP estimates, namely the monthly IPI in the real sector and the monthly merchandise trade statistics in the external sector. The SSC plans to disseminate discrete estimates of quarterly GDP and the monthly IPI on a month-on-month basis by end-September 2021.

146. The fiscal sector data categories do not meet the SDDS requirements, but the MOF is well on the way to expand the coverage and improve the periodicity and timeliness thus meeting the requirements by end-March 2022. As discussed in the GFS section of this report, for GGO to meet the SDDS coverage requirement, the MOF will need to expand it to include the OBAs, the externally financed expenditure, and on-lending financed by external debt (see also Table 2). For CGO, which are now compiled quarterly, the MOF will need to compile monthly data with one month timeliness and expand the coverage to include OBAs, EBFs (Targeted Funds and FRD), and social security funds (SSFs).[6] The MOF will also need to expand the CGD coverage to include domestic debt, and liabilities of OBAs and EBFs, as relevant.[7] Moreover, CGD should

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[6] Compilation of monthly data on externally financed expenditure and on-lending financed by external debt is not feasible at this stage, thus is not required for SDDS subscription.

[7] Except for other accounts payable liabilities, as Uzbekistan follows cash reporting, and it is not feasible to compile these data at this stage, thus is not required for SDDS subscription.

include the guaranteed debt serviced by the central government, and non-central-government debt guaranteed by central government should be separately disseminated. The timeliness of CGD will also need to be shortened to one quarter. In addition, the GGO and CGD data currently disseminated on Uzbekistan's NSDP for e-GDDS follow a national methodology. The MOF will use the *GFSM 2014* format on a cash basis to disseminate fiscal data under the SDDS.

147.   All data categories for the financial sector meet the SDDS coverage and component detail requirements except for interest rates. As for periodicity and timeliness, the monthly CBS is currently disseminated within 20–22 days after the reference month and will need to be shortened to two weeks to meet the SDDS requirement. Concerning interest rates, the CBU disseminates its main policy rate—the refinancing rate for loans to commercial banks—and meets the SDDS requirement for daily periodicity as the table is updated whenever the CBU changes the rate. The only information disseminated on the CBU website on SDDS-required interest rates on short- and long-term government securities is in Russian and Uzbek in a text format. In order to fulfill SDDS requirements, the SRD agreed to start disseminating data in a table format on the interest rates for short- and long-term government securities in the primary market (i.e., primary auctions) on its website. SDDS also requires the daily dissemination of the share price index. Currently, the TRSE disseminates on the NSDP a monthly share price index, though real-time daily information is available on its webpage, meeting the SDDS requirement once a hyperlink to the TRSE website is added in the NSDP.

148.   Even though the coverage, periodicity, and timeliness of BOP and IIP meet the SDDS requirements, a few improvements are needed for reserves, merchandise trade, and EDS. In order to meet the SDDS requirement, the SSC will need to disseminate monthly statistics on merchandise trade on a discrete basis. Concerning EDS, the CBU disseminated shortly after the mission on its website and on the NSDP extended QEDS in line with the *EDS Guide* and with Table 6.2 of the *SDDS Guide*. Once the CBU follows this practice regularly, the SDDS requirements for this data category will be met. The CBU also submitted shortly after the mission the core tables on EDS to the World Bank for dissemination in the QEDS Database which is strongly encouraged for SDDS subscribers. The CBU also plans to compile and disseminate the SDDS-encouraged table on debt-service payment schedule.

Table 3. Uzbekistan: Current Data Dissemination Practices vis-à-vis SDDS Requirements
(as of March 19, 2021)

SDDS data categories	Uzbekistan practices vis-à-vis SDDS coverage, component detail, and other requirements	Periodicity (P)		Timeliness (T)		Remarks: Issues/timeline for implementation in red/black font, respectively.
		SDDS requirements	Uzbekistan dissemination practices	SDDS requirements	Uzbekistan dissemination practices	
Real Sector						
National Accounts (GDP)	Requirement not met	Q	Q	1Q	1Q	**Cumulative data** Timeline: Sep 2021
Production Index	Requirement not met	M	M	6W	4W	**Cumulative index** Timeline: Sep 2021
Labor market: Employment	Requirement met	Q	Q	1Q	25D	
Labor market: Unemployment	Requirement met					
Labor market: Wages/Earnings	Requirement met					
Consumer Price Index	Requirement met	M	M	1M	10D	
Producer Price Index	Requirement met	M	M	1M	10D	
Fiscal Sector						
General Government Operations	Requirement not met	A	Q	2Q	40D	**Coverage not met** Timeline: Mar 2022
Central Government Operations	Requirement not met	M	Q	1M	1Q	**Coverage, P, T not met** Timeline: Nov 2021
Central Government Debt	Requirement not met	Q	Q	1Q	2Q	**Coverage, T not met** Timeline: Mar 2022
Financial Sector						
Depository Corporations Survey	Requirement met	M	M	1M	20—22D	
Central Bank Survey	Requirement met	M	M	2W	20—22D	**T not met** Timeline: Apr 2021
Interest Rates	Requirement not met	D	M		20—22M	**Coverage, P not met** Timeline: May 2021
Stock Market Price Index	Requirement met	D	D		7D	**Establish NSDP link**
External Sector						
Balance of Payments	Requirement met	Q	Q	1Q	1Q	
Official Reserve Assets	Requirement met	M	M	1W	21D	**T not met** Timeline: June 2021
Reserves Data Template	Not compiled	M	Not applicable	1M	Not applicable	Timeline: Dec 2022
Merchandise Trade	Requirement not met	M	M	8W	20D	**Cumulative data** Timeline: Jul 2021
International Investment Position	Requirement met	Q	Q	1Q	1Q	
External Debt	Requirement not met	Q	Q	1Q	2Q	**Coverage, T not met** Timeline: Jun 2021
Exchange Rates	Requirement met	D	D		10D	**Establish NSDP link** No forward market
Addendum						
Population	Requirement met	A	A		3Q	

Note:
🟥	Not published or coverage, component detail, and other requirements not met.
🟧	Does no meet SDDS requirements for P or T.
🟩	Meets SDDS requirements.

149.   Notwithstanding considerable progress made by the CBU on most SDDS data categories for the external sector, the Reserves Data Template is not yet compiled. As discussed in detail in the ESS section of this report, the CBU is working on the compilation of the Reserve Data Template. Whereas the CBU seems to have all the necessary data to compile its part, the needed source data from the MOF are not complete. Specifically, the MOF data on predetermined and contingent net drains on foreign currency assets do not cover flows related to government domestic debt and on-lending, as well as government guarantees on foreign currency loans (see ESS section of this report for further details). In addition, the CBU will need to shorten the dissemination timeliness of the official reserve assets to one week after the reference month to meet the SDDS timeliness requirement. The CBU intends to do so staring with the March 2021 data. The CBU began setting and disseminating on its website daily exchange rates against major world currencies since February 2021, in accordance with SDDS requirements.

150.   In addition to meeting the SDDS requirements for all the data categories, the authorities will need to also ensure the compliance with all the SDDS subscribers' responsibilities. In this context, the e-GDDS participation proves very helpful, as all the necessary tools have already been established under the e-GDDS framework and will only need to be upgraded. The authorities will need to update the e-GDDS NSDP by including all data categories and components prescribed by the SDDS. The existing e-GDDS metadata will need to be updated and new sets of metadata will need to be prepared for SDDS data categories, as relevant. Finally, the ARC calendar should be updated to reflect the improved timeliness and periodicity for all the SDDS data categories, as relevant.

Recommended Actions

- The SSC to establish links in NSDP to daily data on share price index on the TRSE website and daily CBU official exchange rates on the CBU website.

- The SRD to start disseminating the CBS within the two-week SDDS timeliness requirement.

- The SRD to disseminate interest rates for short- and long-term government securities whenever auctions take place to fulfill the daily SDDS periodicity requirement.

- The IRMD to start disseminating on the NSDP and CBU's website monthly official reserve assets within one week after the end of the refence month as prescribed by the SDDS.

- The FRBPD to start disseminating regularly through the NSDP and on the CBU website quarterly data on gross external debt within one quarter after the reference period, in accordance with Table 6.2 of the SDDS Guide. (The CBU disseminated the first set of quarterly data shortly after the mission. Once this practice is followed regularly, the SDDS requirements for this data category will be met.)

- Report the relevant QEDS tables to the World Bank for dissemination on the QEDS website as strongly encouraged by the SDDS. (Implemented shortly after the mission.)

- The SSC to start disseminating discrete monthly merchandise trade data, no later than 8 weeks after the end of the reference month with the following SDDS-prescribed breakdown:

(i) merchandise imports; and (ii) merchandise exports. The dissemination of data broken down by 4-digit Harmonized System codes (HS4) and by trading partners is not required by SDDS, though is encouraged.

- The FRBPD to coordinate with the MOF the data sharing format on the schedule of principal and interest payments for public debt and government-guaranteed debt of other sectors to feed into Table 6.3 of the *SDDS Guide* on the debt-service payment schedule, the dissemination of which is encouraged by the SDDS.

- The SSC to start disseminating discrete quarterly estimates of GDP.

- The SSC to start disseminating the IPI on a month-on-month (rather than cumulative) basis.

- The MOF to start regular dissemination on the NSDP of annual GGO and monthly CGO data (Table 4.2 of the SDDS Guide), and quarterly CGD (Table 4.4 of the SDDS Guide), with a timeliness of two quarters, one month, and one quarter respectively, including expanded coverage as follows:

  (i)   GGO to include OBA, externally financed expenditure, and on-lending;

  (ii) CGO to include OBAs, EBFs—Targeted Funds and FRD, and SSFs;

  (iii) CGD to include foreign and domestic debt, liabilities of OBAs and EBFs, as relevant; split by maturity (short- and long-term), currency (domestic/foreign), and financial instruments; guaranteed debt should also be reported (excluding the guaranteed debt serviced by government which should be covered under the CGD).

- The MOF DEPDD to provide to the CBU for inclusion in the Reserves Data Template monthly data on (i) predetermined short-term net drains on the CBU's foreign currency assets resulting from central government domestic borrowing and lending in foreign currency; (ii) central government liabilities denominated in foreign currency and settled in domestic currency; and (iii) government guarantees on loans in foreign currency and with short-term remaining maturity.

- Prepare/update the e-GDDS/SDDS metadata for each SDDS data category as necessary, at the same time as the relevant improved data are disseminated on the NSDP.

- Update the ARC to include the new data categories and reflect the improved timeliness and periodicity; disseminate all SDDS prescribed data categories through the NSDP.

- The IRMD to compile and disseminate the Reserves Data Template (Table 6.1 of the *SDDS Guide*) on a monthly basis with a timeliness of one month through the NSDP. Transmit draft Reserves Data Template to STA for review about two months prior to dissemination.

Technical Assistance Needs

151.   The implementation of the Action Plan for SDDS subscription will require operational support from and close coordination with STA, particularly with the Strategy, Standards, and Review Division and the Data Governance and Services Division. In addition, a TA mission from CCAMTAC will provide hands-on assistance on the compilation of discrete

quarterly NA statistics and monthly IPI. Whereas there is no need for specific TA to implement the SDDS requirements for ESS, GFS, and MFS, the authorities would highly benefit from remote assistance on the compilation of the Reserves Data template.

ACTION PLAN

152.   The below action plan includes steps to further improve the statistical system in Uzbekistan and to guide the authorities in subscribing to SDDS. Actions are prioritized as high (H), medium (M), and priority recommendations (PR).

A.   Cross-cutting Recommendations

Priority	Action/Milestone	Target Completion Date
Outcome: Legal/institutional environment and resources		
PR	Establish a coordination mechanism for discussing and agreeing on cross-cutting methodological and compilation-related issues on a regular basis. Responsible: MOF, CBU, SSC.	December 2021
H	Leverage the opportunity for CD using CCAMTAC, including through peer leaning opportunities for the compilation of NA, price statistics, GFS, and ESS.	Regularly
Outcome: Data are compiled and disseminated using the sectorization of the latest manual/guide		
H	Analyze the sector classification of the CPF and the DGF and provide to STA background information and preliminary results of the analysis. Responsible: MOF, CBU, SSC.	September 2021
PR	Supplement the list of public units by including entities engaged in financial activities and other public units as relevant, and agree on their sectoring, in consultation with STA on borderline cases. Responsible: MOF, CBU, SSC.	September 2021
PR	Agree on a coordinated and consistent implementation of the revised sector classification of public units in GFS, NA, MFS, and BOP/IIP. Responsible: MOF, CBU, SSC.	September 2021
Outcome: Source data are adequate for the compilation of these macroeconomic statistics		
H	Ensure consistent recording of externally financed government expenditure in GFS, NA, and IIP/BOP. Responsible: MOF, CBU, SSC.	June 2021
Outcome: Macroeconomic data sets used by policymakers have been made more inter-sectorally consistent (reduced discrepancies)		
PR	Establish a mechanism to conduct regular consistency checks among the ESS, MFS, GFS and NA.	December 2021

Priority	Action/Milestone	Target Completion Date
	Responsible: MOF, CBU, SSC.	
H	Conduct regular data reconciliation between the CBU and MOF records for central and local government positions to ensure consistent recording in GFS and MFS. Responsible: MOF, CBU.	Ongoing
H	Conduct regular data reconciliation on government external assets and liabilities, and ensure consistent recording in GFS, debt statistics, and IIP/BOP. Responsible: MOF, CBU.	Ongoing
H	The CBU to conduct regular reconciliation exercises between MFS and ESS. Responsible: CBU (MFSD and BPD).	Ongoing

B. National Accounts and Price Statistics

Priority	Action/Milestone	Target Completion Date
Outcome: Data are compiled and disseminated using the concepts and definitions of the latest manual/guide		
H	Include the new BOP estimates in NA.	June 2021
H	Conduct a revision of NA in accordance with the *2008 SNA* standards by incorporating changes in the compilation of GVA for financial services, imputed rent of owner-occupied dwellings, and ensure consistency between the annual NA and BOP.	December 2021
PR	Disseminate revised time series of NA in accordance with the *2008 SNA*.	December 2021
H	Implement benchmarking of NA time series.	April 2022
M	Implement benchmarking and seasonal adjustments of IPI.	April 2022
M	Compile supply and use tables in current prices for 2021.	January 2023
Outcome: Data are compiled and disseminated using the coverage and scope of the latest manual/guide		
PR	Compile experimental NOE estimates by applying the labor input method.	December 2021
H	Conduct a major revision of NA to incorporate NOE estimates and the results of the 2023 population census.	December 2024
Outcome: Source data are adequate for the compilation of the national accounts and prices		
H	Using data collected from establishments, develop detailed PPI product/transaction weights.	December 2021
M	The SSC should compile a single PPI with data from all establishments. Impute the data for small establishments in each month during the quarter and replace the data with collected prices at the end of each quarter.	December 2021

Priority	Action/Milestone	Target Completion Date
PR	Develop regional weights and baskets for the compilation of CPI.	December 2021
M	Using alternative data sources, develop more detailed CPI weights as necessary.	December 2021
M	Augment the HBS to collect the expenditure data needed to develop detailed CPI weights.	December 2021
M	Collect monthly prices from small establishments in the PPI on a quarterly basis.	December 2021
Outcome: Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs		
H	The SSC should consider adopting the indirect methods of quality adjustment for CPI and PPI.	December 2021
M	Consider implementing the hybrid approach to compiling XMPIs.	December 2021
H	Replace permanently missing prices.	December 2021
H	All seasonal prices should be imputed during each month that they are missing.	December 2021
H	Discontinue the use of the "carry forward" method for the treatment of missing prices and implement imputation methods for the treatment of all missing prices for the CPI and PPI, including those missing due to seasonal availability.	January 2022
Outcome: Revision studies and revision policy and practices have begun and/or have been released internally and/or to the public		
PR	Adopt and start implementing the proposed new revision policy for quarterly NA.	July 2021

C. Government Finance Statistics/Public Sector Debt Statistics

Priority	Action/Milestone	Target Completion Date
Outcome: Legal/institutional environment and resources		
H	Establish a regular coordination mechanism between the GFS unit and the Debt Management Department, to ensure the needs of GFS are met, and consistency and integrity of GFS and debt statistics is achieved.	Immediate and ongoing
H	The MOF to consider increasing staff resources assigned to compiling GFS and debt statistics (one-two additional staff for each unit).	September 2021
Outcome: Data are compiled and disseminated using the concepts and definitions of the latest manual/guide		
PR	Examine the recoverability of policy lending to properly classify each of them as expenditure or financing.	March 2022

Priority	Action/Milestone	Target Completion Date
M	Start regular reconciliation of the debt related stocks and flows (transactions, revaluation, and other changes in the volume) and ensure integrity of the debt statistics and GFS.	March 2022
Outcome: Data are compiled and disseminated using the coverage and scope of the latest manual/guide		
H	Collect data on non-market SOEs and include in GFS and debt data on a pilot basis.	December 2021
PR	Improve the quality of the GFS and debt data by including financing operations (including those financed by external debt) currently not passing through the TSA and budget, using actual data on transactions in deposits (reconcilable with MFS) and applying on a quarterly basis quality checks using the SFA analytical tool for individual general government subsectors, as was recommended by the 2018–2020 TA missions.	March 2022
H	Following compilations on a pilot basis, start disseminating GFS and debt statistics including non-market SOEs.	June 2022
H	Ensure availability of data on the stock of other accounts payable of the central government and include in debt reporting.	October 2022
Outcome: Source data are adequate for the compilation of government finance statistics		
H	Examine possible ways to collect data and/or compile reliable estimates on a monthly, quarterly, and annual basis on the externally financed government expenditure.	June 2021
H	Collect information to assess the recoverability of policy lending (loans and equity injections) provided by the state budget, FRD, and STFs, as recommended by the 2018 and 2019 TA missions.	December 2021
H	Include in TSA all OBAs and gradually ensure timely data availability on all operations, including those not passing through the government accounts (e.g., externally financed expenditure, on-lending).	March 2022
H	Improve the DMFAS by incorporating data on domestic debt, tracking the use of external debt (financing of the government expenditure, disbursements and repayments of on-lending, placement of funds in deposits, and other as relevant), allowing the reconciliation of stocks and flows, and automation of the compilation of debt reports as required by the *GFSM 2014* and *PSDS Guide*.	September 2022
Outcome: Metadata released internally and/or to the public have been strengthened consistent with the dataset to enhance interpretation and analysis		
PR	Prepare and disseminate the reconciliation table between the budget execution based on the national format and the *GFSM 2014* methodology, and provide it to MCD at least on a quarterly basis.	June 2021

Priority	Action/Milestone	Target Completion Date
H	Disseminate on a regular basis the reconciliation between the national budget presentation and *GFSM 2014* to educate users of fiscal data.	September 2021
M	Publish explanatory notes to reflect gradual improvements in GFS and debt statistics towards ISS.	Ongoing
H	Disseminate SFA data on an annual basis.	December 2022
Outcome: A new data set has been compiled and disseminated internally and/or to the public.		
H	Start reporting to the World Bank/IMF Quarterly PSDS Database.	March 2022

D. Monetary and Financial Statistics

Priority	Action/Milestone	Target Completion Date
Outcome: Legal/institutional environment and resources		
M	The CBU to provide opportunities to the MFSD staff to attend training courses on relevant statistics.	Regularly
Outcome: Data are compiled and disseminated using the concepts and definitions of the latest manual/guide		
H	The SRD to send the proposed COAs for the CBU and commercial banks to STA for review and comments before it is finalized.	September 2021
PR	In close collaboration, the SRD and ARD to introduce the necessary revisions in the COAs of the CBU and commercial banks.	December 2021
M	The SRD to value the securities held-to-maturity at market price or fair value in the monetary statistics.	September 2021
Outcome: Source data are adequate for the compilation of monetary statistics		
H	The CBU to continue collaborating with the IMDA and ULA in the finalization of the reporting forms to be used by the CBU to collect balance-sheet data from ICs and LCs.	June 2021
Outcome: Improved timeliness of data made available internally and/or to the public (shorter delays)		
H	The SRD to disseminate the surveys for the central bank, ODCs, and DCs as soon as each one is finalized.	May 2021
M	The SRD to start reporting the interest rate on long-term government securities to STA in report form 6SR for publication in *IFS*.	May 2021
Outcome: Macroeconomic data sets used by policymakers have been made more inter-sectorally consistent (reduced discrepancies)		
H	The CBU to prepare a list of the units that comprise the FCs sector and share this list with the reporting FCs, MOF, and SSC.	May 2021
H	The SRD to introduce the needed changes in the bridge table that automatically generates the SRF 1SR for the CBU when the IMF financing has been excluded from the CBU balance sheet.	May 2021

Priority	Action/Milestone	Target Completion Date
PR	The CBU to exclude the IMF financing under the RFI and RCF, and the corresponding on-lending to the central government, from the CBU balance sheet, as per the MOU signed between the MOF and CBU. Disseminate revised data for the CBU in its website and submit them to STA in the SRF 1SR.	June 2021
Outcome: Metadata released internally and/or to the public have been strengthened consistent with the dataset to enhance interpretation and analysis		
M	The SRD to update the metadata on broad money in the CBU website and bulletin to reflect the departures from the methodology recommended in the *MFSMCG*.	May 2021

E. External Sector Statistics

Priority	Action/Milestone	Target Completion Date
Outcome: Legal/institutional environment and resources		
H	Consider increasing staff resources assigned to compiling ESS (one-two additional staff and one software developer).	September 2021
M	Nominate relevant staff for participation in the IMF trainings and workshops, including virtually, to further improve their understanding of *BPM6* methodology and EDS.	Regularly
Outcome: Data are compiled and disseminated using the coverage and scope of the latest manual/guide		
H	Further improve the quality and coverage of the BOP/IIP statistics in line with *BPM6*, aiming for reduced net errors and omissions.	Regularly
PR	Improve the estimates of unaccounted imports/exports of goods by using mirror data of the main trading partners.	July 2021
H	Improve the data on compensation of employees (credit) by adding questions in the household survey to distinguish between short- and long-term employment.	September 2021
PR	Improve the estimates of foreign currency (cash) holdings of households to take into account the unrecorded inflows/outflows of foreign currency.	June 2022
Outcome: Data are compiled and disseminated using the classification of the latest manual/guide		
H	Separate trade credit and advances between affiliated entities from other trade credits and reclassify them from other investment into DI.	October 2021
Outcome: Data are compiled and disseminated using the sectorization of the latest manual/guide		
H	Allocate government-guaranteed debt to the appropriate institutional sectors in accordance with *BPM6* methodology.	September 2021
Outcome: Source data are adequate for the compilation of external sector statistics		

Priority	Action/Milestone	Target Completion Date
H	The SSC to improve the quality of the survey for foreign economic activities of nonfinancial corporations. In particular, increase the number of surveyed enterprises, improve the quality of data input for the questionnaire, and regularly update the list of respondents.	November 2021
Outcome: Metadata released internally and/or to the public have been strengthened consistent with the dataset to enhance interpretation and analysis		
M	Prepare and publish metadata for each ESS dataset on the CBU website and update them regularly.	November 2021

F. Special Data Dissemination Standard (Road Map for Subscription)

Priority	Action/Milestone	Target Completion Date
Outcome: Uzbekistan takes all the steps needed to subscribe to the SDDS		
H	The CBU to establish links in NSDP to daily data on share price index on the TRSE website and daily CBU official exchange rates on the CBU website.	May 2021
H	The SRD to start disseminating the CBS within the two-week SDDS timeliness requirement.	May 2021
H	The SRD to disseminate interest rates for short- and long-term government securities whenever auctions take place to fulfill the daily SDDS periodicity requirement.	May 2021
PR	The IRMD to start disseminating on the NSDP and CBU website monthly official reserve assets within one week after the end of the reference month as prescribed by the SDDS.	June 2021
PR	The FRBPD to start disseminating through the NSDP and on the CBU website quarterly data on gross external debt within one quarter after the reference period, in accordance with Table 6.2 of the *SDDS Guide*. (The CBU disseminated the first set of quarterly data shortly after the mission. Once this practice is followed regularly, the SDDS requirement for this data category will be met.)	June 2021
PR	Report the relevant QEDS tables to the World Bank for dissemination on the QEDS website as strongly encouraged by the SDDS. (Implemented shortly after the mission.)	June 2021
H	The SSC to start disseminating discrete monthly merchandise trade data, no later than 8 weeks after the end of the reference month with the following SDDS-prescribed breakdown: (i) merchandise imports; and (ii) merchandise exports. The dissemination of data broken down by 4-digit Harmonized System codes (HS4) and by trading partners is not required by SDDS, though is encouraged.	July 2021
M	The FRBPD to coordinate with the MOF the data sharing format on the schedule of principal and interest payments for public debt and	July 2021

Priority	Action/Milestone	Target Completion Date
	government-guaranteed debt of other sectors to feed into Table 6.3 of the *SDDS Guide* on the debt-service payment schedule, the dissemination of which is encouraged by the SDDS.	
PR	The SSC to start disseminating discrete quarterly estimates of GDP.	September 2021
H	The SSC to start disseminating the IPI on a month-on-month (rather than cumulative) basis.	September 2021
PR	The MOF to start regular dissemination on the NSDP of annual GGO and monthly CGO data (Table 4.2 of the *SDDS Guide*), and quarterly CGD (Table 4.4 of the *SDDS Guide*), with a timeliness of two quarters, one month, and one quarter respectively, including expanded coverage as follows: (i) GGO to include OBA, externally financed expenditure, and on-lending; (ii) CGO to include OBAs, EBFs—Targeted Funds and FRD, and SSFs; (iii) CGD to include foreign and domestic debt, liabilities of OBAs and EBFs, as relevant; split by maturity (short- and long-term), currency (domestic/foreign), and financial instruments; guaranteed debt should also be reported (excluding the guaranteed debt serviced by government which should be covered under the CGD).	November 2021 (for CGO) March 2022 (for GGO and CGD)
H	The MOF DEPDD to provide to the CBU for inclusion in the Reserves Data Template monthly data on predetermined short-term net drains on the CBU's foreign currency assets resulting from (i) principal and interest payments on the central government domestic borrowing and lending in foreign currency; (ii) central government liabilities denominated in foreign currency and settled in domestic currency; and (iii) government guarantees on loans in foreign currency and with short-term remaining maturity.	September 2022 (or earlier)
PR	Prepare/update the e-GDDS/SDDS metadata for each SDDS data category as necessary, at the same time as the relevant improved data are disseminated on the NSDP.	October 2022 (or earlier)
PR	Update the ARC to include the new data categories and reflect the improved timeliness and periodicity; disseminate all SDDS prescribed data categories through the NSDP.	October 2022 (or earlier)
PR	The IRMD to compile and disseminate the Reserves Data Template (Table 6.1 of the *SDDS Guide*) on a monthly basis with a timeliness of one month through the NSDP. Transmit draft Reserves Data Template to STA for review about two months prior to dissemination.	December 2022 (or earlier)

Appendix I. Officials Met During the Mission

Name	Institution
The Cabinet of Ministers	
Mr. Djamshid Kuchkarov	Deputy Prime Minister of the Republic of Uzbekistan for financial and economic issues and poverty reduction—Minister of Economic Development and Poverty Reduction of the Republic of Uzbekistan
State Committee of the Republic of Uzbekistan on Statistics	
Mr. Bakhodir Begalov	Chairman
Mr. Dilshod Kholmuradov	First Deputy Chairman
Mr. Odiljon Mamadaliev	Head, International Cooperation and Data Exchange Department
Mr. Mukhtor Umarov	Head, Price Statistics Department
Mr. Aziz Mamirov	Head, Macroeconomic Indicators and National Accounts Department (NAD)
Mr. Abrorali Mamadjanov	Head, Division for Compilation and Analysis of Macroeconomic Indicators, NAD
Mr. Umarjon Obidov	Deputy Head, Current Accounts Division, NAD
Mr. Jahongir Mekhmonov	Head, Accumulation Accounts and Satellite Accounts Division, NAD
Ms. Zijoda Kamilova	Head, Division for Coordination of Statistical Estimates of the Non-observed Economy, NAD
Ms. Zukhra Mamajanova	Head, Input-Output Statistics Division, NAD
Ms. Inna Tyshcenko	Chief Specialist, NAD
Ms. Tatyana Kuksina	Chief Specialist, NAD
Ministry of Finance	
Mr. Akhadbek Khaydarov	Deputy Minister
Mr. Odilbek Isakov	Deputy Minister
Mr. Sherzod Mukhamedov	Director, Budget Department
Mr. Jasur Karshibaev	Director, Domestic and External Public Debt Department (DEPDD)
Ms. Aleksandra Khvan	Head, Government Finance Statistics and Transparency Division (GFSD), Budget Department
Mr. Zarifjon Olimjonov	Section Chief, Government and Guaranteed Debt Servicing and Accounting Division, DEPDD
Ms. Khabiba Khamdamova	Chief Specialist, GFSD, Budget Department
Mr. Azimjon Khasanov	Chief specialist, GFSD, Budget Department
Central Bank of Uzbekistan	
Mr. Bekzod Hamraev	Deputy Chairman
Mr. Abror Turdaliev	Deputy Chairman
Mr. Sanjar Turginboev	Director, Statistics and Research Department (SRD)
Mr. Sanjar Valiev	Director, International Reserves Management Department (IRMD)

Mr. Azikhon Zokirkhajaev	Director, Accounting and Reporting Department
Mr. Sherali Kalandrov	Deputy Director, IRMD
Mr. Olimjon Odilov	Deputy Director, SRD
Mr. Mirsaid Nasirov	Deputy Director, International Cooperation Department
Mr. Rashid Mirzaahmedov	Deputy Director, Foreign Exchange Regulation and Balance of Payment Department
Mr. Sokhibjamol Rasulov	Deputy Head, Monetary and Financial Statistics Division, SRD
Ministry of Economic Development and Poverty Reduction	
Mr. Ilkhom Norkulov	First Deputy Minister
Mr. Ilkhomjon Umrzakov	Director, Department of Macroeconomic Policy, Analysis and Forecasting (DMPAF)
Mr. Yodgor Fayzullaev	Division Chief, DMPAF
Mr. DIlmurod Karimov	Chief Specialist, DMPAF
Mr. Fazliddin Nasretdinov	Deputy Division Chief, DMPAF
Mr. Erkin Madjitov	Deputy Division Chief, DMPAF
Tashkent Republican Stock Exchange	
Mr. Berzod Usmonon	Chairman
Mr. Dmitrii Neudachin	Head, External Relations Department
Mr. Valeryi Djuraiev	Deputy Head, Analysis and Development Department

Appendix II. Sources and Methods for the Compilation of Annual National Accounts

Indicator	Data Sources	Compilation Methods
Agriculture	There are four main types of agricultural producers: 1) corporations; 2) registered small enterprises; 3) farmer households with rented land; and 4) farmer households with their own land (dekhkans). The SSC conducts annual survey of agricultural corporations. Data are available by February 16. The SSC also conducts annual survey of small agricultural enterprises. The results are available on February 26. Farmer households and dekhkans are surveyed by the SSC twice a year—as of January 1st and July 1st. The results should be provided no later than the third day after the reference period. The SSC also uses some administrative data from the Ministry of Agriculture.	Volume estimates of output by each type of agricultural products are converted into current prices by using producer prices. Annual IO ratios are updated annually by using data from the survey of agricultural corporations. However, the questionnaire does not include questions on intermediate consumption (IC) in necessary details. It is assumed that 80 percent of "other expenditures" should go to the IC, while remaining 20 percent should be excluded as they are non-operational expenditures. IC for dekhkans is not available, and therefore, the SSC applies the same ratio as for corporations, which may lead to significant deviations in the current-price estimates of agricultural GVA.
Forestry, hunting, and fishing	The main data sources to compile output are the government budget and statistical reports of corporations. There are no data sources to measure the production of private corporations and households in this sector.	Output and GVA of public corporations are measured from the annual budget of general government and statistical reports of corporations. The final estimates do not include the NOE.
Mining, manufacturing, electricity and water	Annual survey of large corporations. Annual survey of small enterprises with full coverage of all relevant units. Data on producer households are obtained from the HIES	GVA at current prices is deflated by using a single producer price index. The final estimates are not adjusted by the NOE.
Construction	Annual survey of large corporations. Annual survey of small enterprises with full coverage of all relevant units. Annual survey of NPISH. Annual data from HBS. Expert estimates of construction in the household sector. Administrative data of the urban and rural land registries. Quarterly survey of individual entrepreneurs.	Output at current prices is deflated by using a single PPI. PPI for construction materials is used as a deflator. The NOE estimates are not compiled.

Indicator	Data Sources	Compilation Methods
Trade	Annual survey of large corporations. Annual survey of small and micro enterprises. Quarterly survey of declared individual entrepreneurs. Quarterly survey of informal individual entrepreneurs.	The method of single deflation is used to obtain GVA at previous year prices. The estimates of GVA at current prices do not cover illegal activities in the so called "black market," which should be significant in Uzbekistan.
Hotels and restaurants	Annual Survey of large corporations. Annual survey of small enterprises with the full coverage of all units.	GVA at current prices is deflated by using a single CPI. The SSC does not compile the estimates of NOE, which should be significant.
Transportation, storage, and communication	Annual survey of large corporations. Annual survey of small enterprises with the full coverage of all units. Annual survey of NPISH. Data from the general government budget. Quarterly survey of individual entrepreneurs.	GVA at previous year prices is compiled from the annual unit value indices of the relevant indicators. GVA at current prices includes the estimates of informal economy, but does not account for the incomplete declaration.
Financial services	Administrative data form the CBU. Annual survey of commercial banks. Annual survey of insurance companies.	Output of the CBU is compiled in accordance with the recommendations of *2008 SNA*. At this stage, the compilation of FISIM is based on the *1993 SNA* recommendations. However, the SSC compiles the experimental estimates of FISIM based on *2008 SNA* methodology.
Public Administration	Annual budget of the general government. Annual data from extrabudgetary funds.	The SSC compiles GVA from the economic classification of the general government budget. GVA for public administration is considered as compensation of employees, while IC is compiled as sum of current expenditures on goods and services. Consumption of fixed capital (CFC) is estimated in the range of 5–6 percent of output.
Taxes less subsidies on products	Annual data of the government budget. Quarterly data of the CBU on excess profit taxes.	Taxes on products include value added tax (VAT), excise tax, and taxes on imports.

Indicator	Data Sources	Compilation Methods
		Five percent of sales tax is applied to small enterprises and micro firms, which is currently included in the GVA at current prices of respective sectors. The constant-price compilation is based on real growth rates of GVA for respective sectors excluding non-market products. Subsidies on products are mostly applied in agriculture. The current price estimates of subsidies are deflated by using GVA deflators of the corresponding activities.
Household Final Consumption Expenditure (HFCE)	The estimates of retail trade turnover from the production method. The estimates of output for services excluding the services for IC. The estimates of Imputed rent of owner-occupied dwellings.	The HIES data are not representative due to small sampling size. Therefore, the SSC uses the estimates from the production approach. For example, the compilation of HFCE for goods is based on retail trade turnover. The HFCE estimates for services are compiled as a residual from the production side estimates. Own consumption of goods is compiled by using data from the production approach and expert estimates.
Final Consumption expenditure of NPISH	Annual survey of NPISH.	Non-market output of NPISH are compiled by production costs.
Government Final Consumption Expenditure (GFCF)	The annual budget of general government.	Individual and collective consumption are compiled from the general government budget. The expert estimates of CFC are included. GVA at constant prices is obtained by using the extrapolation of volume indicators obtained from the Labor Statistics Department.
Gross Fixed Capital Formation (GFCE)	Annual survey of large corporations. Quarterly survey of small enterprises. Annual survey of individual entrepreneurs. Annual survey of NPISH. Annual data from HIES.	The SSC compiles annual GFCF according to *2008 SNA* recommendations.

Indicator	Data Sources	Compilation Methods
Changes in inventories	Annual survey of large corporations. Annual survey of small enterprises.	The SSC compiles annual changes in inventories in annual average prices by deflating stocks at the beginning and at the end of a year. For finish goods and work in progress, PPIs of respective industries are used as deflators, while goods for resale are deflated by using CPIs.
Exports and imports of goods and services	The State Customs Committee of the Republic of Uzbekistan (SCC) data on exports and imports of goods. For exports and imports of services – quarterly and monthly data of business surveys are used.	The SSC compiles exports of goods at constant prices by using unit value indexes (UVI) of main exported commodities. For deflation of imports of goods, The SSC assumes that nominal change in USD is the real change of imports. In this way, the changes in exchange rates between USD and the national currency are used as deflators.

Appendix III. Sources and Methods for the Compilation of Quarterly National Accounts

Indicator	Data Sources	Compilation Methods
Agriculture	There are four main types of agricultural producers: 1) corporations; 2) registered small enterprises; 3) farmer households with rented land; and 3) farmer households with their own land (dekhkans). The SSC conducts regular quarterly surveys on agricultural corporations. Farmer households and dekhkans are surveyed half-annually. The deadline of quarterly reporting for corporations is the third day after the end of the reference period.	Due to the lack of quarterly data sources the quarterly GVA for agriculture is compiled following the compilation of annual GVA. The estimates of annual GVA is distributed proportionally to the quarterly GVA of agricultural corporations. In other words, it is assumed that the GVA of farmer households and dekhkans have the same quarterly distribution as large corporations. The structure of quarterly GVA is based on the cumulative data and are compiled as the difference between them, which may lead to significant shortcomings.
Forestry, hunting, and fishing	Quarterly data from the general government budget.	Quarterly GVA does not include the NOE estimates.
Mining, manufacturing, electricity and water	Monthly survey of large corporations. Quarterly sampling survey of small enterprises and farmer households.	Data are collected on a cumulative basis. Quarterly indicators are compiled as the difference between the corresponding cumulative periods. The QNA estimates do not cover the NOE.
Construction	Monthly survey of large corporations. Quarterly sampling survey of small enterprises and farmer households.	A PPI for construction services is used as a deflator.
Trade	Monthly survey of large corporations. Quarterly survey of declared individual entrepreneurs. Quarterly survey of informal individual entrepreneurs.	Quarterly GVA is based on cumulative data sources. The NOE estimates are not included in GVA.
Hotels and restaurants	Monthly survey of large corporations. Quarterly sampling survey of small enterprises and farmer households.	The current-price estimates of GVA is deflated by using the CPI. Quarterly data for large corporations are reported on a cumulative basis.

Indicator	Data Sources	Compilation Methods
Transportation, storage, and communication	Monthly survey of large corporations. Quarterly survey of individual entrepreneurs.	Quarterly data are obtained on a cumulative basis. Quarterly GVA of small enterprises is compiled by using the extrapolation of the previous year's estimates. Some large enterprises tend to underestimate their output and GVA in the declarations. The SSC does not compile the NOE estimates for this type of misreporting.
Financial services	Administrative data from the CBU. Quarterly survey of individual entrepreneurs.	The compilation of quarterly GVA is based on the extrapolations from the previous year.
Public Administration	Quarterly data from the general government budget.	The quarterly expenditures of extrabudgetary funds are not available. The SSC uses expert estimates, which are based on the expenditures from previous year.
Taxes less subsidies on products	Monthly data on taxes from the State Tax Committee of the Republic of Uzbekistan (STC). Quarterly data on import taxes from the SCC. Quarterly data of the CBU on excess profit taxes.	The STC provides monthly data on aggregated level. Consequently, quarterly estimates of taxes on products are not compiled by product details. Quarterly taxes and subsidies on products at aggregate level are obtained by extrapolation of the estimates for the previous year and the current-year estimates of GVA.
HFCE	Retail trade turnover from monthly survey of large corporations.	Quarterly data from HIES are not representative. The compilation is based on retail trade turnover, other data from production side (Social and community services, Imputed rent of owner-occupied dwellings, etc.) and expert estimates.
Final Consumption expenditure of NPISH	Quarterly data sources are not available	The SSC compiles the volume estimates based on the employment figures in public entities. The volume estimates are reflated by using the wage indices of the same entities.

Indicator	Data Sources	Compilation Methods
GFCE	Quarterly data from the general government budget.	The quarterly data of extrabudgetary funds are not available. Therefore, The SSC uses the expert estimates, which are based on quarterly data from the general government budget. The number of employees in the public sector is used to compile the GVA estimates at constant prices.
GFCF	Monthly survey of large corporations. Quarterly sampling survey of small enterprises and farmer households.	The expert estimates are based on the annual change of GFCF for previous year. GFCF at previous year prices are calculated by using the volume extrapolation.
Changes in inventories	No quarterly data are available	Quarterly changes in inventories are compiled as a residual between GDP by production and expenditure.
Exports and imports of goods and services	Monthly data on Exports and imports of goods from the SCC. For exports and imports of services – quarterly and monthly data of business surveys are used.	The SSC publishes quarterly GDP much earlier than the dissemination of the BOP from the CBU. Therefore, quarterly data of exports and imports from the SSC and the CBU are not consistent.

Appendix IV. Financial System of Uzbekistan
(in billions of UZS, as of January 2021)

Financial Corporations Sub-sector	No. of Corporations	Asset size (billions of sums)	Percent of asset size to total subsector assets	Percent of asset size to total financial sector assets
Central Bank of Uzbekistan				
Other Depository Corporations	**32**	**362,309.1**	**100.00**	**96.54**
Commercial Banks	32	362,309.1	100.00	96.54
State-owned	13	307,470.7	84.86	81.93
Private	19	54,838.4	15.14	14.61
Domestically controlled	14	44,907.4	12.39	11.97
Foreign controlled	5	9,931.1	2.74	2.65
Other Financial Corporations	**198**	**12,917.3**	**100.00**	**3.44**
Insurance Corporations	41	5,719.5	44.28	1.52
Life[1]	8	570.4	4.42	0.15
Non-life[1]	32	3,855.3	29.85	1.03
Deposit Guarantee Fund[1]	1	1,293.8	10.02	0.34
Other Financial Intermediaries except ICPF	93	6,988.1	54.10	1.86
Leasing companies[1,2]	29	5,706.5	44.18	1.52
Microcredit organizations	63	872.6	6.76	0.23
Mortgage refinancing company[1]	1	409.1	3.17	0.11
Captive Financial Institutions and Money Lenders	64	152.2	1.18	0.04
Pawnshops	64	152.2	1.18	0.04
Financial Auxiliaries[3]	5,571	57.5	0.44	0.02
Tashkent Republican Stock Exchange[1]	1	57.5	0.44	0.02
Minibanks	263			
Money transfer offices	1,507			
Exchange offices	1,232			
Banking service centers (service offices)	933			
24/7 self-service offices	1,635			
Total Assets	**5,801**	**375,283.9**		**100.00**

Source: CBU

[1] Data refer to December 2020.

[2] Comprises the largest leasing companies and represents about 80 percent of the total assets of the leasing companies.

[3] Financial auxiliaries, except TRSE, are part of commercial banks and their assets are included in the commercial banks' assets.