

Challenges Faced While Working for the DGI: The Case of Turkey

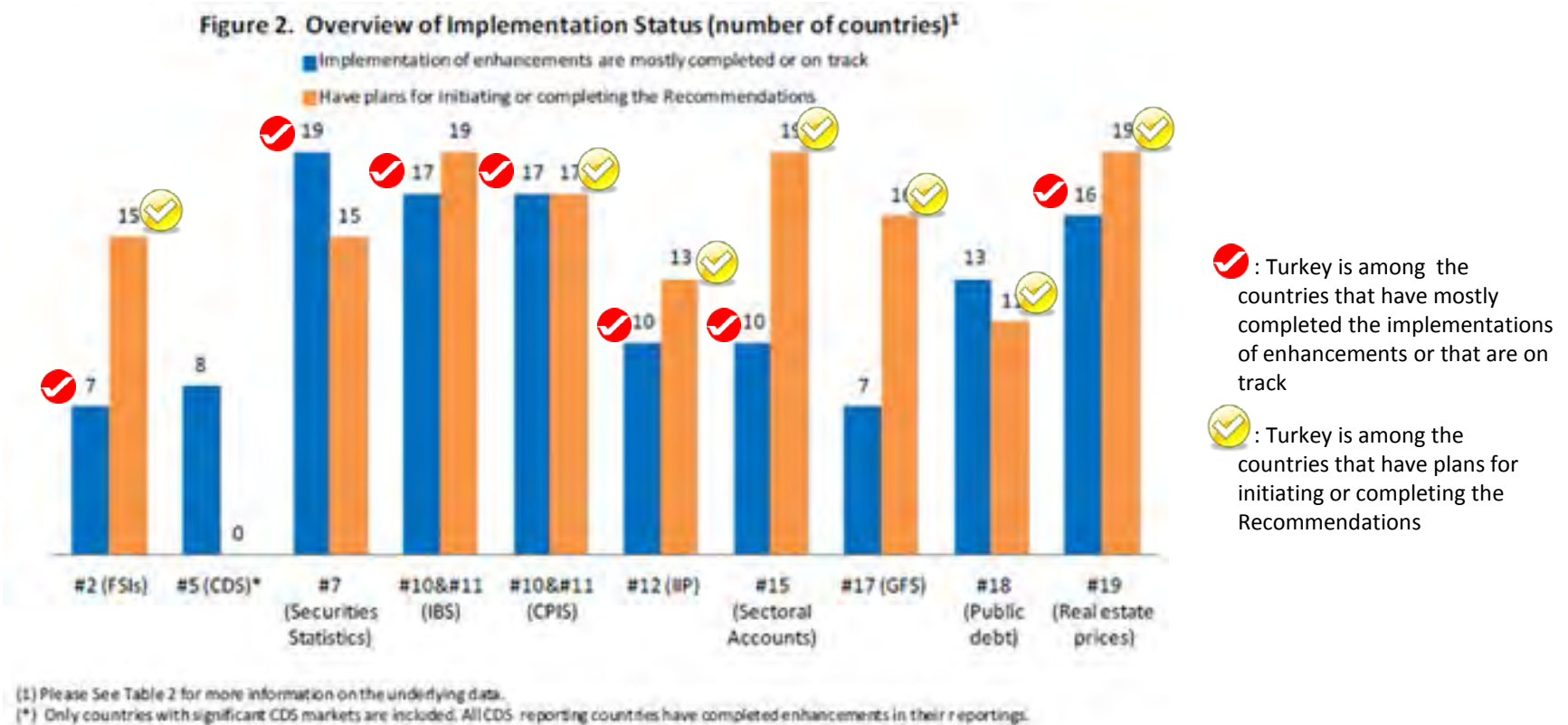
**Global Conference on the G-20 Data Gaps Initiative (DGI)
Basel, June 25-26, 2014**

Ahmet Adnan Eken, Deputy Executive Director
Statistics Department, Central Bank of the Republic of Turkey

- **Turkey's progress on the implementation of the DGI**
- **Challenges faced while working for the DGI**
- **Conclusions**

About Turkey's Progress

- Turkey has completed the implementation of 7 out of 9 dataset enhancements.



Source: Fourth Progress Report on the Implementation of the G-20 Data Gaps Initiative, September 2013

- **Coordination**
- **Resource Constraint**
- **Lack of Political Support**
- **Need for Guidance**
- **Reporting Burden**

Challenge #1: Coordination

- **Both the main challenge & success of the DGI process.**
- **Why a challenge?**
 - **Includes many countries and international organizations**
 - **Requires harmony between the institutions within a country**
 - **Efficiency in division of labour & coordination between different departments of an institution**
 - **Perception of the DGI as a temporary project**

Challenge #1: Coordination

- **How did we handle the challenges?**
 - **Established a legal basis-the Official Statistical Program which supports the completion of the enhancements proposed by the DGI**
 - **Formed working groups to efficiently provide division of labour and determine which institution is responsible for what.**
 - **Relevancy of the suggested enhancements of the DGI with CBT's agenda**
 - **As the CBT, already had the proposed enhancements in our agenda so it was not hard to get motivated and organized for the completion of the tasks ahead.**

Challenge #2: Resource Constraint

- **The DGI meant additional tasks to conduct which calls for increased human resources.**
- **Why a challenge?**
 - **Already established division of labour within the responsible institutions**
 - **Requires modified resource planning to handle both existing & newly identified tasks**
 - **Need for involvement of & collaboration with the IT department**

Challenge #2: Resource Constraint

- **How did we handle the challenges?**
 - **Close cooperation with the IT department**
 - **Redefining the assignment of duties among the related personnel**
 - **Assigning the enhancements as a thesis work to the existing experts to be promoted to the senior expert position**

Challenge #3: Lack of Political Support

- **The implementation of the DGI required political support to be able to allocate more resources as well as to increase motivation.**
- **Why a challenge?**
 - **Different priorities in the agenda of the governing body**
 - **Time constraint**

Challenge #3: Lack of Political Support

- **How did we handle the challenges?**
 - **The initial set-up of the DGI**
 - **top-to-bottom approach, promoting involvement of governing bodies from the beginning**
 - **Regular upper-level meetings with the responsible agencies**
 - **Informing via progress reports**

Challenge #4: Need for Guidance

- **The DGI recommendations include broadening the scope and increasing the frequency of present statistics.**
- **Why a challenge?**
 - **Using the right methods**
 - **Making the right assumptions**
 - **Complying with the international standards, and thus**
 - **Ensuring a certain level of data quality and international comparability**

Challenge #4: Need for Guidance

- **How did we handle the challenges?**
 - **Complying with the current standards**
 - **Methodological support via manuals, handbooks and booklets**
 - **Attending informative seminars and workshops**
 - **Inviting experts to seek advice on problematic issues**
 - **International cooperation activities**
 - **Technical Assistance Programs**
 - **Cooperation with International Organizations**
 - **Bilateral Cooperation Activities**

Challenge #5: Reporting Burden

- **Compilers at times have to send reports prepared using the same database to multiple institutions.**
- **Why a challenge?**
 - **Shifting of resources from other statistical tasks to tasks related to preparing reports, such as checking consistency among reports, recalculating valuations according to different frequencies etc. (due to resource constraints)**
 - **Overlapping yet different data requirements**

Challenge #5: Reporting Burden

- **How did we handle the challenges?**
 - **Allocating more human resource**
 - **IT help**
 - **Developing common technical and statistical standards**
 - **Ongoing projects to transmit data via SDMX**
 - **Plans to send data to some sort of a central data hub at the national level (URIVGES created by Turkstat) as well as at the international level**

Challenge #5: Reporting Burden

- **The System of International Official Statistics Data Transmission Inventory (URIVGES) Software**
 - **Development of a web-based information system related to statistical data transmission of institutions and organizations in the Official Statistics Programme to international organizations**
 - **To be brought under the discipline of the data transmission**
 - **Ensuring data transmission through a single source for the country is planned**

- **The Data Gaps Initiative embodies some challenges but the solutions to overcome them as well.**
 - **Clearly defined objectives**
 - **Recommendations in compliance with data improvement plans of many countries**
 - **Serving as a motivator to accelerate data improvement plans**
 - **Refreshes priorities of policy-makers**
 - **Provides additional technical and analytical support**

THANK YOU.

Appendix

TURKEY			
RECOMMENDATIONS	STATUS AND ENHANCEMENTS IMPLEMENTED	PROGRESS TO DATE IN G-20 ECONOMIES REPORTING	TIMETABLES GOING FORWARD AND OUTSTANDING ISSUES
<p>Recommendation #2: The IMF to work on increasing the number of countries disseminating Financial Soundness Indicators (FSIs), including expanding country coverage to encompass all G-20 members, and on other improvements to the FSI website, including preferably quarterly reporting. FSI list to be reviewed.</p>	<p>The BRSA reports all 12 core FSIs and 11 of the 13 encouraged FSIs for deposit takers (the exceptions being large exposures to capital and the net open position in equities to capital).</p>	<p>In the authorities' database, longer historical time series are available for NFCs starting from 1996. However, inflation accounting adjustments were applied in 2004, which in turn created a break in the series. Therefore, it is not possible to provide longer time series.</p> <p>Thirty-three indicators are regularly released on the IMF website: the 12 core group, 11 of the 13 encouraged FSIs for deposit takers, and 10 of the other encouraged FSIs. Time series of these 33 indicators are released on an annual basis from 2005 to 2007 and on a quarterly basis from Q4 2008 to Q4 2011.</p>	<p>No further actions planned.</p>
<p>Recommendation #5: The CGFS and the BIS to undertake further work in close cooperation with central banks and regulators on the coverage of statistics on the credit default swaps (CDS) markets for the purpose of improving understanding of risk transfers within this market.</p>	<p>Turkey does not participate in the semi-annual BIS survey on Over-the-Counter (OTC) derivatives and CDS statistics. Currently, CBRT prepares Triennial OTC Survey.</p>		<p>No further actions planned.</p>
<p>Recommendation #7: Central banks and, where relevant, statistical offices, particularly those of the G-20 economies, to participate in the BIS data collection on securities and contribute to the further development of the BIS-ECB-IMF <i>Handbook on Securities Statistics (Handbook)</i>. The Working Group on Securities Databases to develop and implement a communications strategy for the <i>Handbook</i>.</p>	<p>Turkey reports debt securities issues to the BIS. The CBRT currently reports 309 debt securities series (by issuer, market, currency & maturity) since April 2010. The 60 annual series start from 2003 while the 249 quarterly series starts either from 2004 Q4 or 2005 Q1</p>	<p>Turkey has worked with the BIS to conform to the HSS. Data reported under HSS include residents' (general government, financial corporations, non-financial corporations, central bank, households & NPISHs) domestic and international debt security issues with the domestic/foreign currency, original maturity (ST/LT) and remaining maturity (ST/LT) breakdowns. The CBT has also provided the BIS with a general authorization for the dissemination of the series except for the remaining maturity series.</p>	<p>No further actions planned.</p>

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<p>Recommendation #10: All G-20 economies are encouraged to participate in the IMF's Coordinated Portfolio Investment Survey (CPIS) and in the BIS's International Banking Statistics (IBS). The IMF and the BIS are encouraged to continue their work to improve the coverage of significant financial centers in the CPIS and IBS, respectively.</p> <p>Recommendation #11: The BIS and the CGFS to consider, amongst other improvements, the separate identification of nonbank financial institutions in the consolidated banking data, as well as information required to track funding patterns in the international financial system. The IMF, in consultation with the IMF's Committee on Balance of Payments Statistics, to strive to enhance the frequency and timeliness of the CPIS data, and consider other possible enhancements, such as the institutional sector of the foreign debtor.</p>	<p>Turkey has participated in the CPIS since 2001 and it reports the required tables.</p> <p>Turkey has been reporting locational and consolidated statistics to the BIS since 2000-Q4. Turkey provides consolidated banking statistics on both immediate borrower and ultimate risk bases.</p>	<p>Residents' Portfolio Investment Assets in Foreign Securities By Instrument and Geographical Breakdown tables started to be disseminated quarterly in IIP data starting from April 2012 publication.</p> <p>Reporting of the Stage 1 enhancements relating to the BIS International Banking Statistics have been finalised except the domestic currency positions vis-à-vis residents of the reporting country. The new data structure definitions for the implementation of Stage 1 enhancements are adapted for transmission of Q2 2012 data.</p> <p>With reference to Stage 2 enhancements, 2013-Q4 LBS data will be reported to the BIS at the end of March 2014. Regarding consolidated banking statistics (CBS), studies to adapt to the Stage 1&2 enhancements are planned to be completed by the fourth quarter of 2014.</p>	<p>Regarding other CPIS enhancements, the authorities indicated that it seems possible to obtain information on the institutional sector of the foreign debtor; and the task would be on the central bank's medium term agenda.</p> <p>In 2013, new reporting forms have been sent to respondents, including some of the CPIS enhancements such as information on the institutional sector of the foreign debtor. Semi-annual data for June 2013 were reported to the IMF in January 2014.</p>
<p>Recommendation #12: The IMF to continue to work with countries to increase the number of International Investment Position (IIP) reporting countries, as well as the quarterly reporting of IIP data. The <i>Balance of Payments and International Investment Position Manual</i>, sixth edition (<i>BPM6</i>) enhancements to the IIP should be adopted by G-20 economies as soon as feasible.</p>	<p>The CBRT reports regularly annual data on the IIP, with a timeliness of no later than six months after the end of the reference year.</p>	<p>Quarterly IIP data published in CBRT's website starting from 2012 Q1 data and reported in the <i>June 2012 IFS</i>.</p>	<p>BOP and IIP data compatible with <i>BPM6</i> methodology will be disseminated and reported to the IMF by the fourth quarter of 2014. Additional data breakdowns according to <i>BPM6</i> requirements are in preparation as well as conversion of <i>BPM5</i>-based BOP data series to <i>BPM6</i> basis.</p>

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<p>Recommendation #15: The IAG, which includes all agencies represented in the Inter-Secretariat Working Group on National Accounts, to develop a strategy to promote the compilation and dissemination of the balance sheet approach (BSA), flow of funds, and sectoral data more generally, starting with the G-20 economies. Data on nonbank financial institutions should be a particular priority. The experience of the ECB and Eurostat within Europe and the OECD should be drawn upon. In the medium term, including more sectoral balance sheet data in the data categories of the Special Data Dissemination Standard could be considered.</p>	<p>Annual financial balance sheets are provided to the OECD and Eurostat for the domestic financial sector and all sub-sectors, nonfinancial corporations, and general government. Quarterly data are reported to the OECD for financial corporations only. The Turkish Statistical Institute (TURKSTAT) disseminates statistics on gross fixed capital formation (with some details) for the total economy, and the private and public sector on a quarterly basis. National accounts estimates are prepared in accordance with the recommendations of the European System of Accounts 1995 (ESA 95). The base year has been changed to 1998 from 1987. Data are disseminated in current and constant 1998 prices.</p>	<p>In 2008, the CBRT has established a working group including representatives from TURKSTAT, the Treasury, and the MoF to produce a full set of financial accounts which require a well-coordinated effort among the agencies. In this effort, CBRT compiled general government financial accounts in cooperation with the MoF and compiled nonfinancial corporations data from counterpart sector information. Financial balance sheets of nonfinancial corporations and general government are reported starting 2009 data in 2012 reporting period.</p>	<p>Financial balance sheets are compiled on quarterly basis only for financial corporations. General government, and nonfinancial corporations are on annual basis. The target date for the production of financial accounts for the remaining sectors (households and rest of the world) is 2014 and full set of financial accounts including flows in 2015. Other financial corporations survey will be reported to the IMF not later than June 2014.</p>
<p>Recommendation #17: The IMF to promote timely and cross-country standardized and comparable government finance data based on the accepted international standard, the <i>Government Finance Statistics Manual 2001</i>.</p>	<p>MoF prepares and disseminates the budgetary government (G1) operations statement monthly, within 15 days of the reference month. It also reports the central government (G2) operations statement in <i>Government Finance Statistics 2001 (GFSM 2001)</i> format, within one quarter after the reference month. The operations statement of G2 plus the local governments quarterly are also produced, within 90 days of the reference quarter.</p> <p>The MoF does not report the monthly cash-flow statement in <i>GFSM 2001</i> format.</p>	<p>The authorities have supplied the IMF with annual general government data starting with 2009, and intend to provide historical data from 2007.</p>	<p>Turkey is working to produce quarterly general government data by 2015.</p> <p>A serious constraint faced by the MoF is the lack of accounting data from the social security system.</p> <p>By 2015, Turkey plans to produce central government, local government and insurance companies nonconsolidated stock tables.</p>

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Recommendation #18: The World Bank, in coordination with the IMF, and consulting with the Inter-Agency Task Force on Finance Statistics, to launch the public sector debt database in 2010.		Turkey welcomed the range of data provided in the public sector debt database, including currency, and remaining maturity. They underlined the usefulness of the data for debt sustainability analysis.	The authorities expect to be reporting quarterly data on the general government to the database by 2015.
Recommendation #19: The Inter-Secretariat Working Group on Price Statistics to complete the planned handbook on real estate price indices. The BIS and member central banks to investigate dissemination on the BIS website of publicly available data on real estate prices. The IAG to consider including real estate prices (residential and commercial) in the Principal Global Indicators (PGI) website.	Turkey property price statistics are posted on the BIS website.	The development of a residential property price index for Turkey (base year of 2010) has been finalized. A monthly index beginning with January 2010 data was released on the website of the CBRT on March 9, 2012. The CBRT provided property price index statistics to the BIS after the release of the data series between January 2010 and December 2011 and continues to provide it each month following the release of the statistics.	No further actions are planned.
Recommendation #20: The G-20 economies to support enhancement of the Principal Global Indicators (PGI) website, and close the gaps in the availability of their national data. The IAG should consider making longer runs of historical data available.	Turkey's data on the PGI website are some of the most complete among the G-20 economies.		