



The G-20 Data Gaps Initiative: Overview and the Way Forward

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The views expressed herein are those of the author and should not be attributed to the IMF, its Executive Board, or its management

Plan of the Presentation

- I.** Why are we here?
- II.** Where are we now on the road to address data gaps?
- III.** Where should we go next?

I. Why are we here?

1. A crisis happened with severe manifestations:

- Notably **severe** in terms of lost output and high unemployment.
- **Affected all the industrialized countries**, and a large number of emerging and developing economies
- Had a **high speed of propagation** worldwide revealing the interconnections across economies and markets.
- Involved **global systemically important financial institutions (G-SIFIs)**, with operations spreading across many instruments, markets, and sectors worldwide.

I. Why are we here?

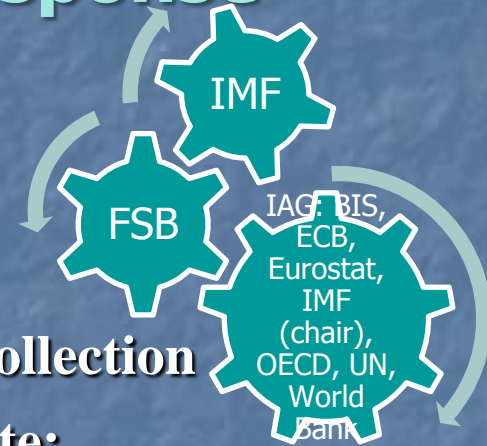
2. The crisis has data dimensions, it highlighted areas needing improvement as well as data gaps

- Highlighted critical importance of relevant statistics that are timely, consistent, and comparable across countries.
- Revealed additional statistical needs for proper financial stability analysis:
 - Identifying leverage and tail risks
 - Understanding interconnectedness:
 - Across sectors within an economy
 - Cross borders
 - Among G-SIFIs
- Identified room for improvement in the communication of official statistics.

I. Why are we here?

3. There is an international response

- Establishment of the **Inter-Agency Group on Economic and Financial Statistics, IAG (2008)**
- **BIS, ECB, Eurostat, IMF (Chair), OECD, UN, WB**
- **Coordinate work on data gaps and strengthen data collection**
- **Established Principal Global Indicators (PGI) Website:**
<http://www.principalglobalindicators.org/default.aspx>
- **G-20 request to the IMF and the Financial Stability Board (FSB) to explore gaps and provide proposals to address them to the G-20 Ministers of Finance and Central Bank Governors.**
- **Reports provided in November 2009 and June 2010; endorsed by the G-20 Ministers of Finance and Central Bank Governors and the IMFC.**
- **Data gaps identified and work plans and timetables endorsed by the G-20 Finance Ministers and Central Bank Governors.**
- **Additional report requested by June 2011.**



I. Why are we here?

4. There is a consultation process including:

- **IMF/FSB G-20 Senior Officials Conferences:**
 - July 2009 and, March 2011 (you are here) Washington, D.C., USA
 - April 2010, Basel, Switzerland
- **IMF staff consultations with individual G-20 economies:**
 - Visits to and consultations with officials at Central Banks, Ministries of Finance, and National Statistics Institutes
- **These consultations help to shape the IMF-FSB report to the G-20 Ministers of Finance and Central Bank Governors**

II. Where are we on the road to address data gaps?

- **Gaps were identified, 20 recommendations to address them provided**
- **Working plans/timetables were outlined**
- **Work is progressing in all 20 recommendations (you will be updated during this conference)**

- **...and the gaps were...**

DATA GAPS

There Exist Conceptual/
Statistical Frameworks
and Ongoing Collection

Conceptual Statistical
Framework Needs Further
Development

Build-up of Risk
in the Financial
Sector

2 Financial Soundness
Indicators (FSIs)
#5 Credit Default Swaps
#7 Securities

3 Tail Risk in the Financial
System
#4 Aggregate Leverage and
Maturity Mismatches;
#6 Structured Products

Cross-border
Financial
Linkages

10, #11, #12 Coordinated
Portfolio Investment Survey,
International Banking
Statistics, International
Investment Positions

#8 and # 9 Global Network
Connections and Systemically
Important Global Institutions
13 and #14 Financial and
Nonfinancial Corporations' Cross
Border Exposures

Vulnerability of
Domestic
Economies to
Shocks

#15 Institutional Sector
Accounts
17 Government Finance
Statistics
18 Public Sector Debt
#19 Real Estate Prices

#16 Distributional Information

Improving
Communication

#20 Principal Global
Indicators (PGIs)

II. Where are we on the road to address data gaps?

In addition, the IMF's Data Standards were enhanced:

- **IMF Executive Board approved enhancements to the IMF Special Data Dissemination Standard:**
 - **Seven Financial Soundness Indicators (encouraged)**
 - **Quarterly International Investment Position with one quarter lag (required after 4-year transition period)**
 - **External debt on a remaining maturity basis (encouraged)**

III. Where should we go next?

1. Setting immediate objectives (2011-12)

- We need to move to further improving actual data collection and dissemination
 - Make better use of existing data
 - Enhance existing frameworks for data collection and dissemination and harmonize data reporting templates (some proposals to be presented at this conference)
 - Further enhance the PGI
- We need to coordinate data work with upcoming proposals and parallel exercises
 - Indicators being defined for the G-20 Mutual Assessment Process
 - Upcoming enhancements to the IMF's Data Standards

III. Where should we go next?

2. Setting medium-term objectives (2012-14)

- **Complete enhancements to existing statistical frameworks and data collection/dissemination**
 - **Make use of the implementation of recently updated methodologies (SNA2008, BPM6)**
- **Finalize development of new statistical frameworks and start collection and dissemination of new data**

III. Where should we go next?

3. Be aware of constraints

- Work needs to be done (it will be bad if a new crisis highlights the same data gaps we are addressing), but there are constraints (budgets, staff, IT, skill mix):
 - Set priorities:
 - Cross-border interconnections (whom-to-whom data)
 - General government operations and positions data
 - Sectoral interconnections data
 - Leverage, maturity mismatches and shadow banking
 - Coordinate better:
 - Among international institutions (maintain coordination in the IAG)
 - Among agencies within countries

III. Where should we go next?

4. Be aware of risks

- **Momentum could be lost in addressing data gaps**
 - **Continue consultative approach with G-20 economies to monitor implementation progress and discuss challenges**
 - **Continue periodic reporting to G-20 Ministers of Finance and Central Bank Governors**
 - **Maintain close coordination among international institutions**

IV. Concluding Remarks

- **Considerable progress** has been made in addressing data gaps:
 - G-20 economies are already addressing data gaps
 - Individual IAG agencies allocated to lead specific recommendations.
 - Communication of official statistics is improving (the PGI).
- **Data Dissemination Standards (GDDS and SDDS) have been strengthened (and further enhancements are under consideration).**
- **But challenges remain ahead:**
 - Implementation plans and timetables will need to be firmed up
 - Development of new data frameworks will need to be completed
 - Adequate resources need to be identified and allocated to statistical work
 - Coordination and collaboration—not only among IAG agencies, but also with and within national statistical agencies will need to be strengthened.
- **Let's continue this important work, it is necessary to better understand a global world and contribute to better policy making.**