

ABBREVIATIONS

<i>1993 SNA</i>	<i>System of National Accounts 1993</i>
<i>BPM5</i>	<i>Balance of Payments Manual, fifth edition</i>
DQAF July 2003	Data Quality Assessment Framework, July 2003 version
DSBB	Dissemination Standards Bulletin Board
GDDS	General Data Dissemination System
GDP	Gross Domestic Product
GFS	Government Finance Statistics
<i>GFSY</i>	<i>Government Finance Statistics Yearbook</i>
<i>GFSM 1986</i>	<i>A Manual of Government Finance Statistics, 1986</i>
<i>GFSM 2001</i>	<i>Government Finance Statistics Manual 2001</i>
IMF	International Monetary Fund
ITRS	International Transactions Reporting System
<i>MFSM</i>	<i>Monetary and Financial Statistics Manual</i>
MOF	Ministry of Finance
NBM	National Bank of Moldova
NBS	National Bureau for Statistics
ODC	Other Depository Corporations
ROSC	Report on the Observance of Standards and Codes
SDDS	Special Data Dissemination Standard
STA	IMF Statistics Department

I. OVERALL ASSESSMENT

1. The Republic of Moldova has participated in the General Data Dissemination System (GDDS) since February 2003 and posts its metadata on the Dissemination Standards Bulletin Board (DSBB), which are updated on a regular basis. Appendix I provides an overview of Moldova's dissemination practices compared to the GDDS. Moldova meets GDDS recommendations for all disseminated statistics with one exception: the nonavailability of data on external public and publicly guaranteed debt service schedule. It meets, and exceeds in most respects, the recommendations for periodicity and timeliness. The Moldovan authorities have expressed interest in working towards subscription to the Special Data Dissemination Standard (SDDS). An assessment of Moldova's practices compared to the SDDS shows that the country meets or exceeds SDDS specifications for coverage, periodicity, and timeliness with the following exceptions: coverage of central government operations (consolidated government operations are not disseminated) and international reserves and foreign currency liquidity (not yet compiled); periodicity for interest rates; and timeliness for official reserve assets. Further work is needed in the following areas: dissemination of advance release calendars for fiscal data; development of summary methodological statements for certain data sets; and development of a national summary datapage.
2. The data module of the Report on the Observance of Standards and Codes (ROSC) for Moldova notes that the statistical system has clear legal provisions for responsibilities and independence for the collection, compilation, and dissemination of statistics. The necessary authority for data collection and for safeguarding the confidentiality of individual records is in place. Resources for national accounts and fiscal data need some strengthening. The authorities have established a good track record of implementing the recommendations of past technical assistance missions, and the quality of macroeconomic statistics has improved significantly in many areas in the past few years. Concepts, definitions, and other elements of methodological soundness are generally in accordance with appropriate standards. Accuracy and reliability need to be further enhanced with respect to the compilation of fiscal and national accounts statistics. The authorities are aware of the adverse implications for the coverage and use of statistics arising from the nonavailability of data on Transnistria. Serviceability and accessibility are generally adequate although some improvements are needed with respect to metadata and data accessibility in a few identified cases, in particular in the fiscal area. Section II provides a summary assessment by agency and dataset based on a four-part scale. This is followed by staff recommendations in Section III. The authorities' response to this report and a volume of detailed assessments are presented in separate documents.
3. The remainder of this section presents the mission's main conclusions by using the structure of the IMF's Data Quality Assessment Framework (DQAF July 2003). The presentation is done at the level of the DQAF's quality dimensions, by agency for the first two dimensions and across datasets for the remaining four.
4. **Prerequisites of quality and assurances of integrity.** All three agencies compiling and disseminating macroeconomic statistics operate within a supportive legal and

institutional environment and demonstrate high levels of professionalism and ethical standards.

- The **National Bureau for Statistics** operates within a legal framework that clearly defines its authority for compiling and disseminating national accounts statistics and allows it to perform an effective coordinating role in the field of macroeconomic and social statistics. Legal provisions are adequate for safeguarding the confidentiality of individual records and statistical reporting. However, resources for compiling national accounts and basic source data are not sufficient. In particular, staffing resources have suffered significantly following the 30 percent cut effected in July 2005 . The relevance of data is promoted through several advisory groups and comments from users are monitored closely. Statistics are compiled on an impartial basis. However, the NBS's independence appears to be undermined by two practices: the deadlines for disseminating certain data are influenced by other agencies; and the term of office of the NBS's senior management is not specified explicitly. The NBS's statistical policy and practices are transparent, and staff conduct is guided by civil service rules and regulations.
- The **Ministry of Finance** operates within a legal and institutional environment that supports its responsibility for compiling and disseminating data on budget execution. Ensuring confidentiality is not an issue since government finance statistics (GFS) data are obtained as a by-product of budget systems. While the GFS statistical work program is completed with existing resources, the compilation work is undertaken by only one staff member, thereby exposing this important task to unnecessary unwarranted risks. Although the MOF is open to feedback from users, there are no mechanisms in place to monitor user needs. Data quality is an integral part of MOF operations. The laws and regulations, together with the culture in the MOF, promote professionalism. The MOF's statistical policy and practices are transparent, and staff conduct is guided by civil service rules and a number of internal regulations.
- The **National Bank of Moldova** operates within a legal framework that provides a clear responsibility for producing and disseminating monetary and balance of payments statistics. Legal provisions ensure compliance with statistical reporting requirements and confidentiality of individual records. Formal arrangements exist to promote data sharing and coordination with other data producing agencies. Resources are adequate to undertake the current statistical work program. The mechanisms to monitor and enhance the relevance of balance of payments statistics are sufficient. However, for monetary statistics, there is no established process of regular consultation with users although they are kept informed of specific data aspects. Procedures are in place that focus on quality of data which are compiled with full professional integrity. The NBM's statistical policy and practices are transparent, and staff conduct is guided by appropriate regulations.

5. In general, concepts and definitions are **methodologically sound**, and in conformity with internationally accepted standards and practices, with the exception of the definition of reserve assets in the balance of payments. The scope of macroeconomic statistics suffers due

to the nonavailability of data on the territory of Transnistria.¹ The quasi-fiscal activities of the energy sector are not included in the fiscal data. Product classification in the national accounts is not yet fully compatible with international standards. The classification of debt assumption by the government with respect to certain external loans is not fully consistent with *A Manual of Government Finance Statistics, 1986 (GFSM 1986)*. The basis for recording in all statistical areas is appropriate and conforms with internationally accepted methodologies.

6. The **accuracy and reliability** of macroeconomic statistics is generally sound. Deficiencies in source data relate to production and price indices for national accounts, nonavailability of detailed transactions in nonfinancial assets for government finance, and incorrect classification of nonfinancial public corporations in banks' data for monetary statistics. Source data for annual balance of payments are comprehensive and appropriate. Although interest on loans are recorded on a due-for-payment basis, annual data are not much affected. Suitable processes are used for assessment of source data and validation of intermediate and final statistical outputs. The statistical techniques used for estimating consumption of fixed capital and volume measures of exports and imports of services in the national accounts are not fully consistent with international guidelines. Revision studies are conducted for all macroeconomic statistics, except for government finance statistics.

7. **Serviceability** of macroeconomic statistics is adequate. The periodicity and timeliness of disseminated data exceed GDDS recommendations and in most cases meet SDDS requirements. All statistics fulfill adequately the consistency parameters within each dataset, over time, and with other major datasets. The revision policy for government finance statistics is not publicized and the revision status of balance of payments data published with the annual revision cycle is not always clearly identified.

8. **Accessibility**, for the most part, is satisfactory. The data on general government operations currently disseminated relate to cumulative monthly data. Fiscal data on expenditure by economic classification are not published. Balance of payments statistics are not accessible by all users at the same time owing to a lag of one week in posting the data on the NBM's website. Comprehensive metadata for all statistics, except for monetary statistics, will need to be developed and disseminated. Assistance to users is adequate, except that the MOF does not have a catalog of its publications.

II. ASSESSMENT BY AGENCY AND DATASET

The assessment of the quality of four macroeconomic datasets—national accounts, government finance, monetary, and balance of payments statistics—was conducted using the Data Quality Assessment Framework (DQAF July 2003). In this section, the results are presented at the level of the DQAF elements and using a four-point rating scale (Table 1). Assessments of the prerequisites of data quality and assurances of integrity (Dimensions “0”

¹ Following a civil war in 1992, the region bordering the left bank of the Nistru river (Transnistria) seceded from Moldova and the dispute remains unresolved.

and “1” of the DQAF) are presented in Tables 2 a–c. For each dataset, the assessment of methodological soundness, accuracy and reliability, serviceability, and accessibility (Dimensions “2” to “5” of the DQAF) are shown in Tables 3a–d.

Table 1. Moldova: Data Quality Assessment Framework July 2003—Summary Results

Key to symbols: O = Practice Observed; LO = Practice Largely Observed; LNO = Practice Largely Not Observed; NO = Practice Not Observed; NA = Not Applicable				
Datasets	National Accounts	Government Finance Statistics	Monetary Statistics	Balance of Payments Statistics
Dimensions/Elements				
0. Prerequisites of quality				
0.1 Legal and institutional environment	O	O	O	O
0.2 Resources	LNO	LO	O	O
0.3 Relevance	O	LNO	LO	O
0.4 Other quality management	O	O	O	O
1. Assurances of integrity				
1.1 Professionalism	LO	O	O	O
1.2 Transparency	O	O	O	O
1.3 Ethical standards	O	O	O	O
2. Methodological soundness				
2.1 Concepts and definitions	O	O	O	LO
2.2 Scope	LO	LO	LO	LO
2.3 Classification/sectorization	LO	LO	O	O
2.4 Basis for recording	O	O	O	O
3. Accuracy and reliability				
3.1 Source data	LO	LO	LO	O
3.2 Assessment of source data	O	O	O	O
3.3 Statistical techniques	LO	O	O	O
3.4 Assessment and validation of intermediate data and statistical outputs	O	O	O	O
3.5 Revision studies	O	LO	O	O
4. Serviceability				
4.1 Periodicity and timeliness	O	O	O	O
4.2 Consistency	O	O	O	O
4.3 Revision policy and practice	O	LO	O	LO
5. Accessibility				
5.1 Data accessibility	O	LNO	O	LO
5.2 Metadata accessibility	LO	LO	O	LO
5.3 Assistance to users	O	LO	O	O

Practice observed: current practices generally meet internationally accepted statistical practices without any significant deficiencies. **Practice largely observed:** some departures, but these are not seen as sufficient to raise doubts about the authorities' ability to observe the DQAF practices. **Practice largely not observed:** significant departures and the authorities will need to take significant action to achieve observance. **Practice not observed:** most DQAF practices are not met. **Not applicable:** used only exceptionally when statistical practices do not apply to a country's circumstances.

Table 2a. Moldova: Assessment of Data Quality—Dimensions 0 and 1—National Bureau for Statistics

0. Prerequisites of quality	1. Assurances of integrity
<p>Legal and institutional environment. The National Bureau for Statistics (NBS) is responsible for compiling and disseminating national accounts statistics. The <i>Law on Official Statistics</i> of December 9, 2004 clearly defines the authority of the NBS for compiling and disseminating national accounts statistics. It also ensures mandatory data reporting, provides for appropriate sanctions for noncompliance, and guarantees confidentiality of the individual reporters' data. Data sharing and coordination among the producing agencies are adequate.</p> <p>Resources. The national accounts statistics are compiled by the National Accounts Division, which consists of eight staff. In July 2005, the staffing resources of the NBS were reduced by about 30 percent as part of an overall civil service reorganization. Staffing is not adequate, especially in the area of national accounts, basic economic statistics, and information technology. Besides, retaining NBS staff is a problem due to the unattractive salaries compared to the private sector. Computer resources and financial resources for data collection, development work, and technical enhancements are not adequate.</p> <p>Relevance. Data users are consulted through several advisory groups to help the national accounts meet user needs. Users are encouraged to provide comments, and these comments are monitored closely. The NBS is active internationally, taking part in many meetings and seminars to help ensure relevance of data produced and disseminated.</p> <p>Other quality management. The NBS management recognizes quality as an important statistical principle and ensures that work practices and priorities reflect this importance. Quality awareness is evidenced by references to quality in the <i>Law on Statistics</i>, as well as the priority accorded by management to achieving compliance with internationally accepted statistical standards.</p>	<p>Professionalism. The legal environment guarantees the independence of the NBS. Staff are recruited on the basis of competence, and promotions are related to performance. The NBS staff are professional and properly trained. All staff receive internal training in relevant subjects. Peer group reviews of work processes are regularly undertaken. However, the NBS's independence appears to be undermined by two practices: the deadlines for disseminating certain data are influenced by other agencies; and the term of office of the NBS's senior management is not specified explicitly. The <i>Law on Statistics</i> stipulates that statistics are compiled on an impartial basis, and the choices of data sources and techniques are informed by statistical considerations. The NBS is entitled to comment on misuse of its statistics and does so as needed. Media references to statistics are identified and circulated within the NBS.</p> <p>Transparency. The <i>Statistics Law</i> and the annual statistical program are available to the general public, including information on collection, processing, and dissemination of data. The NBS publications indicate clearly where additional information may be obtained. There is no evidence that national accounts data are provided to government officials before release. Advance notice is given of major changes in methodology, source data, and statistical techniques.</p> <p>Ethical standards. Staff behavior is guided by the regulations and administrative procedures of the civil service. All staff are made aware of the guidelines.</p>

Table 2b. Moldova: Assessment of Data Quality—Dimensions 0 and 1—Ministry of Finance

0. Prerequisites of quality	1. Assurances of integrity
<p>Legal and institutional environment. GFS are compiled and disseminated by the Ministry of Finance (MOF) under the general provisions of the <i>Law on the Budgetary System and the Budgetary Process, No. 847-XIII/1996</i>, the <i>Law on Accounting, No.4 26-XIII/1995</i>, the budget classification approved by the <i>Parliament Resolution No.9 69-XIII/1996</i>, and the annual State Budget laws. Since GFS data are obtained as a by-product of budget systems, measures to ensure confidentiality or encourage response are not required.</p> <p>Resources. The GFS statistical program in the MOF is an integral part of its overall operation. Only a few staff have GFS knowledge, and GFS compilation is undertaken by one staff member. However, the GFS statistical work program is completed with existing resources. There are limited measures to improve the efficient use of resources.</p> <p>Relevance. The MOF is open to feedback from users, but it does not actively elicit comments. In response to user feedback, the MOF is disseminating detailed data on the consolidated general government and its component subsectors.</p> <p>Other quality management. The general regulations of the MOF stipulate quality commitment. Data quality is an integral part of MOF operations. MOF staff participate in GFS-related courses offered by STA in Washington and at regional training centers, including the Fiscal Policy and Data Quality Seminar that was offered in 2005 jointly with STA at the Joint Vienna Institute.</p>	<p>Professionalism. The laws and regulations together with the culture in the MOF promote professionalism. Recruitment and promotion are based on qualifications and performance. The MOF staff are well qualified and receive training (internal and external) in methodology and compilation methods. MOF staff have qualifications in economics and accounting, in which a basic knowledge of statistical principles forms part of a wider set of skills, and have the appropriate background and experience for compiling and using GFS. There is no evidence of political interference in the choices of sources and methods used in the compilation of fiscal data. The content and format of GFS are based on IMF standards. Other reports of fiscal activity are determined by the <i>Law on Accounting No.4 26-XIII/1995</i>, the <i>Law on the Budgetary System and the Budgetary Process, No. 847-XIII/1996</i>, and by the NBS for its publications.</p> <p>Transparency. The terms and conditions under which GFS are compiled and disseminated are embedded in various laws and the internal administrative regulations of the MOF. There is no internal government access to fiscal data prior to their release to the general public. The MOF is clearly identified as the source of fiscal data. Data compiled on the basis of changes in methodology are disseminated to users for feedback.</p> <p>Ethical standards. The code of conduct for civil servants and other government staff is regulated by various laws, including the <i>Law on Public Service, No.4 43-XIII/1995</i>. In addition, the MOF has a number of regulations specifically governing the behavior of staff. All staff are made aware of these regulations.</p>

Table 2c. Moldova: Assessment of Data Quality—Dimensions 0 and 1—National Bank of Moldova

0. Prerequisites of quality	1. Assurances of integrity
<p>Legal and institutional environment. The responsibility of the National Bank of Moldova (NBM) for producing and disseminating monetary and balance of payments statistics is clearly specified in relevant legislations. Legal provisions empower the NBM to request information from legal entities and individuals to carry out its tasks. Legislations guarantee confidentiality of the requested data. Appropriate formal arrangements exist to promote data sharing and coordination with other data producing agencies.</p> <p>Resources. Human, financial, and computing resources of the units involved in the compilation of monetary and balance of payments statistics are sufficient for the assigned tasks. There is a clear division of interdepartmental responsibilities between the Statistics and Monetary Analysis Section and the Balance of Payments Division vis-à-vis other departments involved in the process of collection, processing, and verification of the monetary and balance of payments statistics.</p> <p>Relevance. The NBM strives to improve the country’s monetary and balance of payments statistics to meet users’ needs, as reflected in its willingness to implement most of the recommendations made by IMF technical assistance missions. The balance of payments division holds regular formal and informal meetings with key users. Each week, the NBM holds meetings of the Monetary Committee to identify emerging data needs for decision-making and forecasting purposes. Users are kept informed on specific data aspects, but there is no formally established process of regular consultation with ministries, representatives from the private sector, or academia, for monetary statistics purposes.</p> <p>Other quality management. The NBM management and professional staff recognize the importance of good quality statistics and are sensitive to all dimensions of data quality. Staff of the NBM have participated in monetary and balance of payments statistics courses offered by the IMF. Returning participants provide training to other staff of the NBM and hold meetings with respondents to improve data reporting.</p>	<p>Professionalism. A key element of the legal status of the NBM is that it is an independent legal entity, accountable only to parliament. Proceeding from its legal status, the NBM defines its own methodology for the compilation and dissemination of monetary and balance of payments statistics, taking into account international requirements and standards. The NBM is guided in its personnel hiring and promotion policies by the principle of professional competence of staff. This is reflected in the Model Qualifications Characteristics of the NBM Staff, as approved by the NBM Administrative Council. The choices of sources and statistical techniques are based on statistical considerations. The NBM tracks the use and interpretation of monetary and balance of payments statistics in the financial press and mass media. Incorrect interpretation or misuse of statistics is followed up for corrections.</p> <p>Transparency. The broad legal terms and conditions for compiling monetary and balance of payments statistics are made available to the public. There is no internal government access to statistics prior to their release. Users are informed on methodological changes; these are also reported to the public through regulations published by the NBM.</p> <p>Ethical standards. Ethical standards of official behavior for NBM staff are established by a separate regulatory act of the NBM that defines the status of an NBM employee. Employees who enter into an employment relationship with the NBM are informed of this regulatory act.</p>

Table 3a. Moldova: Assessment of Data Quality—Dimensions 2 to 5—National Accounts

2. Methodological soundness	3. Accuracy and reliability	4. Serviceability	5. Accessibility
<p>Concepts and definitions. The national accounts are compiled in accordance with the <i>System of National Accounts 1993 (1993 SNA)</i>.</p> <p>Scope. The NBS compiles and disseminates (i) annual and quarterly GDP at current and constant prices by activity and by expenditure approach; (ii) components of annual value added by activity at current prices; (iii) a sequence of annual accounts for the total economy and by institutional sectors (up to financial accounts); (iv) annual rest of the world account; and (v) annual supply and use tables. The Transnistria region is not included in the national accounts estimates. The production and the asset boundary are in accordance with the <i>1993 SNA</i>.</p> <p>Classification/sectorization. Institutional units, transactions, and other flows are classified according to the <i>1993 SNA</i>. The activity and functional classifications are consistent with international standards. Products are still classified using the material product system. However, a new classification of products will be in place later in 2005.</p> <p>Basis for recording. Market prices are used for valuation of stocks and flows. Recording is done on an accrual basis.</p>	<p>Source data. The national accounts are compiled from comprehensive annual and quarterly data collection programs based on a statistical register, developed and maintained by the NBS. However, for industrial volume indices constant price data reported by the enterprises themselves are used. Price indices are not fully in accordance with international standards.</p> <p>Assessment of source data. Source data are adequately checked for coverage, sampling, and nonsampling errors.</p> <p>Statistical techniques are basically sound, with production approach estimates made on sufficient detail of activities, and expenditure estimates made independently. Constant price estimates are compiled at average prices of the previous year, using sound techniques. However, the compilation techniques for consumption of fixed capital and for volume measures of imports and exports of services are not fully consistent with international guidelines.</p> <p>Assessment and validation of intermediate data and statistical output. Statistical discrepancies in intermediate data are assessed and investigated. The revised GDP estimates at current and constant prices are balanced through the supply and use tables.</p> <p>Revision studies. Studies of revisions are carried out and documented routinely, and used to inform the statistical process.</p>	<p>Periodicity and timeliness. Periodicity and timeliness of the national accounts data exceed GDDS recommendations.</p> <p>Consistency. The statistical discrepancy between GDP by the production and by the expenditure approach is reconciled through the supply and use tables. Consistent annual time series are available since 1989. The national accounts data are consistent with the balance of payments and the government finance statistics.</p> <p>Revision policy and practice. The revision cycle is predetermined and known to the public. Preliminary data are clearly identified. The revised data are disseminated with analysis explaining the difference with the preliminary data.</p>	<p>Data accessibility. Data are disseminated in hard copy publications and on the website of the NBS. The release schedule for the national accounts data is preannounced. National accounts are made available to all users at the same time.</p> <p>Metadata accessibility. Metadata are available in the hard copy publications of the NBS and on the IMF's GDDS website. The GDDS metadata are updated regularly. However, there is no comprehensive document describing the sources and methods used in national accounts compilation.</p> <p>Assistance to users. The catalog of publications and information on the contact person for national accounts are available to users.</p>

Table 3b. Moldova: Assessment of Data Quality—Dimensions 2 to 5—Government Finance Statistics

2. Methodological soundness	3. Accuracy and reliability	4. Serviceability	5. Accessibility
<p>Concepts and definitions. Fiscal data compilation and dissemination are based on the recommendations of <i>GFSM 1986</i>. Data from 2002 have been reported for the <i>GFSY</i> using the classification system of the <i>GFSM 2001</i>. The authorities plan to migrate to <i>GFSM 2001</i> by 2009. A draft of the budget classification based on the <i>GFSM 2001</i> has been prepared.</p> <p>Scope. The scope of the fiscal statistics is the consolidated general government. They cover all economic flows (except for the quasi-fiscal activity of the energy sector) and the stock of general government debt. Fiscal data do not cover Transnistria.</p> <p>Classification/sectorization. The classification of fiscal data is broadly consistent with <i>GFSM 1986</i> guidelines, except for the assumption of debt obligations by the government with respect to certain external loans.</p> <p>Basis for recording. The fiscal data are recorded on a cash basis, as provided for in the <i>GFSM 1986</i>. Government debt is recorded at face value. All data are recorded on a gross basis.</p>	<p>Source data. GFS are compiled from comprehensive and timely accounting reports. No detailed transactions data are collected for nonfinancial assets of general government.</p> <p>Assessment of source data. Numerous automated and manual checks are routinely undertaken.</p> <p>Statistical techniques. Preliminary data are routinely replaced by final data. Budget execution data are mapped to both the <i>GFSM 1986</i> and <i>GFSM 2001</i> classifications.</p> <p>Assessment and validation of intermediate data and statistical outputs. Discrepancies between the banking system and budget execution reports are resolved before release of data. Data on external debt stocks and related flows are checked with creditor information.</p> <p>Revision studies. No revision studies are made. However, revisions are minimal.</p>	<p>Periodicity and timeliness. GDSS recommendations are met.</p> <p>Consistency. The cash surplus/deficit is equal to financing, and the major aggregates are the sum of their components. The GFS are fully reconciled with monetary and financial statistics. Public external debt in the balance of payments and general government sector data in the national accounts are sourced from fiscal data.</p> <p>Revision policy and practice. Preliminary data are routinely replaced with final unaudited data. Due to extensive checking of preliminary data, revisions are marginal. Final unaudited data are not replaced by final audited data for the same reason. The revision policy is not publicized.</p>	<p>Data accessibility. The MOF releases cumulative year-to-date data each month for the National Public Budget (consolidated general government) execution and each of its component subsectors. Fiscal data by economic classification are not disseminated. Fiscal statistics are released in the NBS's <i>Statistical Bulletin</i> and <i>Socio-Economic Situation in Moldova</i>. There is no advance release calendar or information on the website on data services.</p> <p>Metadata accessibility. Metadata on concepts, sources, and methods for fiscal data are publicly available. GFS metadata are available on the DSBB.</p> <p>Assistance to users. Contact details are included on monthly releases. Prompt and knowledgeable service is provided. No catalog of publications is available.</p>

Table 3c. Moldova: Assessment of Data Quality—Dimensions 2 to 5—Monetary Statistics

2. Methodological soundness	3. Accuracy and reliability	4. Serviceability	5. Accessibility
<p>Concepts and definitions. Moldova's monetary statistics are broadly consistent with the methodology of the <i>MFSM</i>. The NBM follows the principle of residency of the <i>Balance of Payments Manual</i>, fifth edition (<i>BPM5</i>).</p> <p>Scope. The depository corporations survey covers the NBM and the 16 commercial banks. However, nine commercial banks that operate in the Transnistria region are not included in the compilation of monetary data. There are no other financial institutions in Moldova that collect deposits or issue deposit substitutes.</p> <p>Classification/sectorization. Classification and sectorization principles are consistent with international standards. The NBM recently provided commercial banks with a list of other financial corporations operating in Moldova. This action led to improved sectorization of these entities in the data reported by commercial banks to the NBM.</p> <p>Basis for recording. The valuation of data is in conformity with the <i>MFSM's</i> recommendations. The NBM's and commercial banks' accounts are produced on an accrual basis.</p>	<p>Source data. The ODC survey is based on the consolidated balance sheets of all commercial banks. The commercial banks' data reported for monetary statistics purposes do not provide information for the correct classification of institutional units as nonfinancial public corporations.</p> <p>Assessment of source data. The primary system of data verification is a detailed review of the banks' reports. Questionable data are reviewed with the reporting bank. Cross-check of data on interbank positions is undertaken.</p> <p>Statistical techniques. Monetary data are based on the balance sheets of the NBM and ODCs without any need for surveys.</p> <p>Assessment and validation of intermediate data and statistical output. Statistical discrepancies in intermediate data are assessed, and the main causes of the discrepancies are determined. In the case of significant fluctuations in monetary aggregates, revisions are made in the compilation of aggregates, and comments explaining the changes are disseminated.</p> <p>Revision studies. Revisions to the final data as compared to the preliminary data, their nature, and scope are studied on a regular basis.</p>	<p>Periodicity and timeliness. Monthly compilation of monetary statistics meets the SDDS requirements. Data on the analytical accounts of the central bank are disseminated within two weeks after the end of the reference month. Data on the analytical accounts of the banking sector are disseminated 20 days after the end of the reference month.</p> <p>Consistency. Monetary data are consistent with balance of payments data and with central government records, and data are fully reconcilable following the introduction of the new chart of accounts for the central bank in 1995 and the new chart of accounts for commercial banks in 1997 .</p> <p>Revision policy and practice. Monetary data are rarely revised, except when significant errors in banks' reports are discovered. Preliminary data are denoted as such. The revised data are provided in a special font and changes in data are explained in analytical commentaries. Revisions are subject to quantification, assessment, and clarification. In the case of changes in historical time series data, the tables with the revised data in the <i>Monthly Bulletin</i> and <i>Quarterly Bulletin</i> are also accompanied by relevant comments and explanations.</p>	<p>Data accessibility. Data are presented in an aggregated form with comments on their development. The public has ready access to monetary data through the NBM's web site. Seasonally adjusted data on monetary aggregates M_0, M_2, and M_3 are also disseminated on the website. Monetary statistics are released in accordance with the calendar for disseminating the data that is shown on the NBM's website, (in the GDDS statistics section). Statistics are released to all users at the same time.</p> <p>Metadata accessibility. Moldova has posted its monetary metadata on the DSBB and on its website, including the sources and methods for compiling the analytical aggregates.</p> <p>Assistance to users. The NBM website indicates the telephone numbers and e-mail addresses of contact persons responsible for the compilation of monetary statistics. The website provides users with information about electronic and paper-based publications.</p>

Table 3d. Moldova: Assessment of Data Quality—Dimensions 2 to 5—Balance of Payments Statistics

2. Methodological soundness	3. Accuracy and reliability	4. Serviceability	5. Accessibility
<p>Concepts and definitions. Balance of payments statistics are compiled in accordance with the principles and methodology recommended in the <i>BPM5</i>, with the exception of the definition of reserve assets. The reserve assets are netted for the NBM's liability to commercial banks' deposits in foreign currency with regards to reserve requirements.</p> <p>Scope. The balance of payments covers in principle all transactions between residents and nonresidents, but excludes most transactions of Transnistria with nonresidents.</p> <p>Classification/sectorization. Classification and sectorization systems are consistent with the <i>BPM5</i>.</p> <p>Basis for recording. Generally, the recording basis is consistent with <i>BPM5</i>. Transactions are valued at market prices and, in principle, are recorded on an accrual basis.</p>	<p>Source data. A comprehensive and balanced data collection system, including wide-ranging data from surveys, international transactions reporting system, and administrative sources, is used, which are adequate for annual data. Although interest on loans are recorded on a due-for-payment basis, annual data are not much affected.</p> <p>Assessment of source data. Appropriate and adequate procedures are followed to assess and validate source data.</p> <p>Statistical techniques. Compilation techniques are sufficiently detailed, carefully selected, and appropriate. Adjustments to source data employ valid assumptions and techniques.</p> <p>Assessment and validation of intermediate data and statistical outputs. Routine validation and cross-checking with alternative data and results are undertaken at all stages. Statistical discrepancies are investigated and taken into account in improving sources and compilation procedures.</p> <p>Revision studies. Revisions are assessed routinely and results of the analysis are used to improve data compilation.</p>	<p>Periodicity and timeliness. Periodicity and timeliness of balance of payments statistics exceed the GDDS recommendations and meet SDDS requirements.</p> <p>Consistency. Data are consistent internally and over time. Data are also consistent or reconcilable with external debt, national accounts, merchandise trade, and monetary statistics. Detailed data are cross-checked and verified with other economic data.</p> <p>Revision policy and practice. The revision policy is well established and publicized. Preliminary and revised data as per quarterly revision cycle are clear. However, the quarterly and annual data according to the annual revision cycle are not always clearly specified. Information on revisions is published.</p>	<p>Data accessibility. Statistics are presented and disseminated in formats that broadly suit users' needs. Analysis and comments on data are included. A preannounced schedule for data release exists. All data and publications are posted on the NBM's website. However, data are not accessible by all users at the same time because some key users have immediate access, while on-line users have to wait a week owing to lags in posting data on the website.</p> <p>Metadata accessibility. Summary documents on sources and methods are made available to users through the NBM's publications and website. A comprehensive document on sources and methods has not been prepared for users of statistics, although a comprehensive document exists for internal use.</p> <p>Assistance to users. Contact information for balance of payments statistics is available in all dissemination media. The NBM's catalog of publications is available on its website.</p>

III. STAFF'S RECOMMENDATIONS

Based on the review of Moldova's statistical practices, discussions with the data producing agencies, and responses from data users (see Appendix III of the Detailed Assessments volume), the mission has developed a set of recommendations. They are designed to increase further Moldova's adherence to internationally accepted statistical practices and would, in the mission's view, enhance the analytical usefulness of Moldova's statistics. Some additional technical suggestions are included in the Detailed Assessments volume.

Cross-cutting Recommendations

- Increase resources allocated to work on compilation and dissemination of statistics in the areas of national accounts and government finance. The personnel, financial, and computer resources of the NBS need to be commensurate with the requirements of the current statistical program. Additional resources would be required to retain qualified staff and to meet evolving statistical demands.
- Prepare and disseminate comprehensive document on sources and methods for compiling national accounts, government finance, and balance of payments statistics.
- Consider inclusion of all economic activities in the Transnistria region in relevant macroeconomic statistics compiled in Moldova.

National Accounts

- Improve the accuracy and reliability of the industrial production index, price statistics, and the household budget survey. Request collection of subannual data on a discrete basis for all economic statistics surveys.
- Implement sound statistical techniques in accordance with international guidelines for volume measures of imports and exports of services, for estimating consumption of fixed capital, and for dealing with nonresponses.
- Provide the NBS with the authority to make its own decision about the timing of dissemination of macroeconomic statistics. The NBS policy and practice on dissemination deadlines should not be influenced by outside agencies.
- Complete the implementation of a classification system for products based on internationally accepted standards.

Government Finance Statistics

- Disseminate discrete monthly and quarterly data in addition to cumulative year-to-date data for general government operations.
- Disseminate fiscal data for the consolidated central government monthly.

- Improve the analytical usefulness of the data by correctly classifying certain external obligations assumed by the government.
- Set up a small group within the MOF with responsibility for the compilation and dissemination of GFS and further improvement in relevance and quality of the GFS.
- Improve service to users by (i) disseminating an advance release calendar; (ii) providing notification of fiscal data releases available from the MOF, NBS, and NBM; (iii) announcing the availability of additional series; and (iv) disseminating information on revision policy.
- Migrate fully to the *Government Finance Statistics Manual, 2001 (GFSM 2001)* for compiling and disseminating GFS.

Monetary Statistics

- Establish conditions for the proper classification of nonfinancial public corporations in the statistics of Moldova (including a revision of the *Law "On Government Entities"* that defines public corporations if necessary).
- Adopt a plan for the full implementation of the *Monetary and Financial Statistics Manual (MFSM)* with respect to the (i) expansion of monetary statistics to cover also other financial corporations; and (ii) the compilation and presentation of flow data for the financial sector. This will require an expansion in human, computer, and financial resources.
- Increase the level of detail in disseminating monetary statistics over time.

Balance of Payments Statistics

- Define reserve assets according to the *BPM5*.
- Identify clearly the status of preliminary, revised, or final nature of the quarterly and annual data disseminated according to the annual revision cycle.
- Disseminate summary data on NBM's website on the same day that data are released.
- Obtain information from the debt management system to compile data on interest on loans on an accrual basis.
- Improve the survey of enterprises with foreign investment conducted by the NBS to collect quarterly data on a discrete basis rather than on a cumulative basis.