

Joining the good data club

Participation in the IMF's General Data Dissemination System (GDDS) has nearly quadrupled over the past four years as countries have sought to improve data quality and establish their credentials as providers of comprehensive, timely, and reliable statistics. Created in 1997, the GDDS now has 83 participating countries (chart) and may see 10 more countries join in 2005. Its data framework is also being put to new use in the fight against poverty and in helping countries to meet the UN Millennium Development Goals.

Why countries join

In adopting the GDDS, countries make a public commitment to develop their national statistical systems. Participation in the system can help form the backbone of a country's statistical efforts, as was the case in China, where the GDDS has helped strengthen transparency and, as Deputy Commissioner of the National Bureau of Statistics Qiu Xiaohua noted, the country's strategic plan of statistics is now closely inter-related to the GDDS framework.

In Kazakhstan, the decision to join the GDDS coincided with a reform of the country's statistical system and the introduction of international principles for disseminating statistical data. The GDDS became a stepping-stone to Kazakhstan's subsequent subscription to the Special Data Dissemination Standard (SDDS), which is intended for countries seeking access to international capital markets. China, too, is working toward subscribing to the more rigorous SDDS.

Participation in the GDDS can raise the status of the national statistical office and transform the role that statistics play in the activities of other government agencies. Stepan Mnatsakanyan, President of Armenia's National Statistical Service, saw the GDDS playing a particularly important role in transition countries. In Armenia, he said, the role of the national statistical office shifted from "provider of statistics to the government to a provider of statistics to the whole society."

The GDDS has allowed data-producing agencies to take control of the statistical development program in a structured way and coordinate this program among data-producing agencies, users, donors, and the international community. The GDDS also helps national authorities facilitate resource allocation and ensure that technical assistance complements national initiatives.

Since good statistics are a core component of good governance, GDDS encourages participants to improve the dissemination of

their statistics and the compilation of their methodology, and provide contact information to the public. The Internet site of the GDDS—the Dissemination Standards Bulletin Board—then conveys information on statistical development and dissemination practices to the public. For many developing countries, the GDDS site is the only comprehensive source of such information.

Going forward

In the coming year, the IMF's Statistics Department will help potential participants in the GDDS assess their data compilation and dissemination practices and provide technical assistance to improve data quality. Consistent with the IMF's broader objectives of helping low-income countries reach the Millennium Development Goals, the focus will be on encouraging countries with a poverty reduction strategy to participate in the GDDS.

The link between good data and good policies is increasingly being recognized in countries that are crafting ambitious efforts to reduce poverty and raise living standards. When Tajikistan became the 81st country to participate in the GDDS, the chair of the State Committee on Statistics, Munim Kholikov, pointed out that his country's poverty reduction strategy paper

(PRSP) explicitly acknowledges the vital role that relevant and reliable statistics play in monitoring and assessing the effectiveness of this strategy.

Developing a PRSP is a very data-intensive process, and currently 44 of the 55 countries that have issued PRSPs participate in the GDDS. The Statistics Department wants to elevate the data quality issue into the mainstream of development work to make the fullest use of the GDDS framework. Countries are encouraged to explicitly prescribe their data development needs and strategies in their PRSPs, similar to what countries are doing for other sectors that require structural reforms. Sierra Leone's PRSP has gone a step further, providing a separate section on statistical development entitled "Empowerment with Information" in its chapter on good governance.

Finally, and perhaps most important, efforts to improve data quality must be adequately funded, and this will require support from the political process, senior-level national officials, statistical agencies, international organizations, and donor countries. ■

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