

Summary of the Report on the Observance of Standards and Codes (ROSC) – Data Module Assessment for Thailand¹

An assessment on the quality of Thailand's Macroeconomic statistics was conducted by the International Monetary Fund (IMF) mission team during 3 – 17 October 2005. The assessment was based on the IMF's Data Quality Assessment Framework (DQAF), July 2003, covering 4 categories of economic data; namely, National Accounts Statistics (compiled by National Economic and Social Development Board), Government Finance Statistics (compiled by Fiscal Policy Office, Ministry of Finance), Monetary Statistics and Balance of Payments Statistics (compiled by the Bank of Thailand). The assessment of current practices in accordance with IMF's data quality assessment framework focuses on 2 major criteria as follows:

1. *Special Data Dissemination Standard (SDDS)* : The Bank of Thailand subscribed to the IMF's Special Data Dissemination Standard on August 9, 1996 and started posting the metadata on the Dissemination Standards Bulletin Board (DSBB) on September 19, 1996. Thailand fulfilled all the requirements prescribed by the SDDS in 1998, meeting the specifications for coverage, periodicity, timeliness and the dissemination of advance release calendars.

2. The *assessment on data quality* focuses on the evaluation associated with data compilation and dissemination, using the IMF's Data Quality Assessment Framework (DQAF), July 2003 as benchmark. The assessment focuses on 6 dimensions as follows:

(1) **Prerequisite of Quality** - covering elements and indicators that have an overarching role as prerequisites, or institutional preconditions, for quality of statistics. These prerequisites cover elements of legal and institutional environment, resources available for statistical work, and quality awareness informing statistical work.

(2) **Assurance of Integrity** - captures the notion that statistical systems should be based on adherence to the principle of objectivity in the collection, compilation, and dissemination of statistics. The dimension encompasses institutional arrangements that ensure professionalism in statistical policies and practices, transparency, and ethical standards.

(3) **Methodological Soundness** - covers the idea that the methodological basis for the production of statistics should be sound and can be attained by following internationally accepted standards, guidelines, or good practices.

(4) **Accuracy and reliability** - refers to the adequacy of source data to compile statistics, sound statistical techniques, and that source data, intermediate data, and statistical outputs are regularly assessed and validated, inclusive of revision studies.

(5) **Serviceability** - relates to the need that statistics cover relevant information on the subject field, that they are disseminated in a timely fashion, with an appropriate periodicity, datasets are consistent internally and with other major datasets, and follow a regular revision policy.

(6) **Accessibility** - relates to the need to ensure that data and metadata are presented in a clear and understandable manner on an easily available and impartial basis, that metadata are up-to-date and pertinent, and that a prompt and knowledgeable support service is available.

Overall assessment results

The overall assessment of data quality based on the DQAF July 2003 received desirable results (see attached summary table), which is indicative of a well-developed and managed macroeconomic statistical system. The government also recognizes the importance

¹ A summary of the article "Thailand: Report on the Observance of Standards and Code – Data Module, Response by the Authorities, Detailed Assessments Using the Data Quality Assessment Framework (DQAF)", April 10, 2006

of good statistics for effective decision-making in all sectors of the economy. Moreover, it is well accepted at all levels of statistical-producing agencies that quality builds trust, which is the cornerstone of statistical work. The professionalism of staff and the pride they take in their work is notable. On the aspect of data dissemination, the public has ready access to data and metadata, as well as prompt and knowledgeable support services.

As statistical agencies are at various stages of implementing international best practices, the assessment will help outline the weaknesses and strengths in the overall statistical system and will accordingly help to accelerate the improvement and development process.

The following section outlines the main conclusions of the assessment:

Dimension 0 : Prerequisites of Quality

Various laws and decrees authorize the Bank of Thailand (BOT), the National Economic and Social Development Board (NESDB), and the Fiscal Policy Office (FPO) of the Ministry of Finance (MOF) to collect, compile and disseminate the relevant statistics. Cooperation among the agencies is effective and there has been little overlapping of responsibilities.

No explicit mandate is given to the BOT to compile the Balance of Payments statistics. The BOT relies to some degree on foreign exchange control legislation for the necessary powers to collect comprehensive balance of payments source data, which may become increasingly problematic over time if exchange controls are further liberalized.

Resources are broadly commensurate with the present needs of the statistical system, although additional resources would permit best-practice methodologies to be implemented at a faster pace. Moreover, the agencies devote considerable attention to monitoring the overall quality of the statistical program and ensure that statistics remain relevant to users' needs through regular contact with users.

Dimension 1 : Assurance of Integrity

The compiling agencies have independence to their statistical work and are free to choose methodologies and appropriate data sources. Staff are well trained, exhibiting a high degree of professionalism in their work and are held to high ethical standard in the conduct of their work.

In addition, the terms and conditions under which statistics are compiled are readily available to the public. The government does not have access to statistics prior to their release to the public.

Dimension 2 : Methodological Soundness

The concepts and definitions, in general, are methodologically sound and broadly conform to international standards. Monetary statistics follow the Monetary and Financial Statistics Manual (MFSM). Balance of Payments statistics follow the Balance of Payments Manual, fifth edition (BPM5). Data on quarterly and annual GDP generally conforms to the System of National Accounts 1968 (1968 SNA), but conversion to System of National Account 1993 (1993 SNA) has begun. Government Finance statistics are in transition to the Government Finance Statistics Manual (GFSM 2001), with implementation expected by 2009.

The implementation of the 1993 SNA and GFSM 2001 for the compilation of GDP and government finance statistics would bring the scope of the statistics fully into line with accepted international methodologies. In the case of balance of payments statistics, data sources should be expanded to better cover unrecorded trade, services, income and transfers. The classification of financial derivatives in monetary statistics needs to conform to the MFSM. Moreover, the accrual method should be fully adopted for recording stocks and flows, as well as greater reliance on market prices.

Dimension 3 : Accuracy and reliability

The accuracy and reliability of macroeconomic statistics are generally sound. Procedures for assessing source data are adequate, as are statistical techniques and procedures to assess and validate intermediate data and statistical outputs. Nevertheless, the use of alternative data source would improve the coverage and enhance the quality of statistics. For instance, the use of alternative sources in addition to the International Transactions Reporting System (ITRS) would enhance the coverage for the balance of payments statistics, more reliable source data for household expenditure and the update of base year for compilation of GDP at constant price would improve the national accounts. Moreover, government finance statistics would benefit from more timely data especially from local government.

Studies and analyses of revisions are routinely carried out, although the results of the revision studies could be used more effectively to improve preliminary balance of payments data.

Dimension 4 : Serviceability

The periodicity and timeliness of statistics meet or exceed SDDS standards. Datasets are internally consistent and are consistent across datasets.

Due to the recent adoption of MFSM methodology for monetary statistic, the new series are available only from January 2005 onwards. However, the main aggregates are reconcilable between the old and new series.

Data revisions generally follow a regular and transparent schedule; preliminary and revised data are clearly identified, denoted as p and r accordingly. Furthermore, revision studies are routinely carried out but are not normally published.

Dimension 5 : Accessibility

The statistical agencies provide users with a high level of accessibility to data and metadata, disseminated primarily through the agencies' website and regular publications. Data are presented clearly and, for the most part, with appropriate details. Statistical publications and websites identify suitable contact points for user assistance. Prompt and knowledgeable support services are also available to users.

Thailand : Data Quality Assessment Framework July 2003 – Summary Results

Datasets	National Accounts	Government Finance Statistics	Monetary Statistics	Balance of Payments Statistics
Dimension / Elements				
0. Prerequisites of Quality				
0.1 Legal and institutional environment	O	O	O	LO
0.2 Resources	LO	LO	O	O
0.3 Relevance	O	O	O	O
0.4 Other quality management	O	O	O	O
1. Assurance of Integrity				
1.1 Professionalism	O	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	LO	O	O	O
2.2 Scope	LO	LO	O	LO
2.3 Classification / sectorization	O	O	LO	LO
2.4 Basis for recording	LO	LO	O	LO
3. Accuracy and Reliability				
3.1 Source data	O	LO	O	LO
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	O	O	LO
4. Serviceability				
4.1 Periodicity and timeliness	O	O	O	O
4.2 Consistency	O	O	LO	O
4.3 Revision policy and practice	LO	LO	O	LO
5. Accessibility				
5.1 Data accessibility	LO	O	O	O
5.2 Metadata accessibility	LO	O	O	O
5.3 Assistance to users	O	O	O	O

O = Practice observed – current practices generally in observance meet or achieve the objective of DQAF internationally accepted statistical practices without any significant deficiencies.

LO = Practice largely observed – some departures, but these are not seen as sufficient to raise doubts about the authorities' ability to observe the DQAF practices.

LNO = Practice largely not observed – significant departures and the authorities will need to take significant action to achieve observance.

NO = Practice not observed – most DQAF practices are not met.

NA = Not applicable – used only exceptionally when statistical practices do not apply to a country's circumstances.