



State Bank of Pakistan

**Final Draft of
Data Revision Policy**

**Statistics and Data Warehouse
Department
State Bank of Pakistan**



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The Statistics and Data Warehouse Department has developed a draft of data revision policy for various statistics compiled and disseminated through this department

Readers are requested to provide us with their valuable suggestions so that data revision policy may be finalized.

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Preface

“Revisions”, the word elicits a wide range of images in the world of official statistics, not all of them pleasant. In statistical offices, the image is often that of extra work done either to develop new series while continuing to prepare and disseminate the to-be-revised series or to carry out time series back. To data users also, it means extra work, to update databases and reanalyze time series to see as if history has been rewritten. More traumatic than the images of extra work is the image of mistakes, especially in the past but to some extent even today, revisions are associated mainly with mistakes having been uncovered.

The need for improvements in official statistics has gained substantial attention in recent years. One of the developments that has put spotlight on revisions includes, for example, the financial crises in the 1990’s, in which the lack of relevant data figured prominently in delaying diagnosis, led to a call by the international financial community for the International Monetary Fund (IMF) to establish standards for the dissemination of data to the public. As a response, the IMF developed the Special Data Dissemination Standard (SDDS) and the General Data Dissemination System (GDDS). The **PARtnership In Statistics for Development in the 21st Century (Paris21)** consortium of developing countries and donors have also called for a shared international strategy to seek adequate support for national statistical systems to build to evidence-based policymaking. Revisions are important part of an efficient statistics system and of a transparent state in the sense of "good governance" which allow meeting timeliness and quality requirements at the same time.

In its endeavors to adopting standard best practices of data compilation and dissemination, the Statistics and Data Warehouse Department of the State Bank of Pakistan has prepared the data revision policy and its scope covers all statistical data and analytical results disseminated by it.

Data Revision Policy Project Team
Statistics and Data Warehouse Department

Introduction

Statistics and Data Warehouse Department of the State Bank of Pakistan is responsible for producing financial statistics of Pakistan. It takes initiatives not only to produce data but also to inform users about the concepts and methodologies used in collecting, processing and analyzing data, the accuracy of these data and any other features that affect their quality or "fitness for use".

This is an era of good governance. The development of revisions policy is being emphasized these days and recognized as an important tool for transparency and qualitative statistics. There arises, therefore, a need to develop a well-articulated data revision policy for statistics generated and released by the State Bank of Pakistan. Realizing this, we have tried to formulate and adopt a revision policy having internationally accepted good practices.

This document is divided into five parts: part-I covers need for revision policy, part-II describes general principles of data quality standards, part-III defines some basic concepts about revision policy encompassing background, importance of revision policy, part-IV discusses good practices for revision policies and finally the schedule of revisions is outlined in part –V.

Part-I:Need for Revision Policy

Data Revision Policy serves the serviceability aspect of the data quality set out in the Data Quality Assessment Framework (DQAF) of the International Monetary Fund (IMF). DQAF aims to provide more structure and a common language about data quality and thus facilitates the assessment of data quality. Three main areas have been envisioned in which such an assessment tool could be helpful. First, the DQAF could help guide data users in gauging data quality for their own purposes. In this sense, it could serve as a useful complement to the quality aspects included in the General Data Dissemination System (GDDS)/Special Data Dissemination Standard (SDDS). Second, the DQAF is

useful in guiding IMF staff in assessing the quality of data provided for country surveillance and operations, in preparing Report on the Observance of Standards and Codes (ROSCs) and designing programs of technical assistance. Third, the DQAF is useful to guide countries' efforts to strengthen their statistical systems by providing a self-assessment tool.

The revisions in the Statistics and Data Warehouse Department are generally conducted for Balance of payments (BOP) and External Debt Statistics (EDS); the frequency, however, is considerably less and no proper policy exists for the revision of other data series. The revisions are generally conducted in when a need arises without following a predetermined cycle. The users are accordingly informed after the revisions take place. A need was there felt for a well-documented Data Revision Policy specific to Statistics and Data Warehouse Department of the State Bank of Pakistan, to bring more transparency to the data compiled and disseminated..

Part-II: General Principles of Data Quality Standards

The general principles adopted in preparing the policy to ensure data quality standards may be summarized as follows:

1. To provide the users with the information necessary to understand both the strengths and limitations of the data being disseminated.
2. The documentation provided to users on data quality should engender an awareness of quality as an issue in the proper use of the data.
3. The documentation on methodology to permit users to assess whether the data adequately approximate what they wish to measure, and whether the estimates are produced with tolerances acceptable for their intended purpose.

4. The documentation provided is to be clear, well organized and accessible. Accuracy indicators should not to be technically difficult for the intended clientele to understand or use.

5. The descriptions of methodology and the indicators of data accuracy to be carefully integrated to benefit the user's understanding.

6. The detail and frequency of the updating of the documentation on data quality for the purposes of the Policy will consider:

- the intended uses of the data;
- the potential for error and its significance to the use of the data;
- variation in accuracy and coherence over time;
- potential for subsequent improvement of quality and efficiency;
- applicability and utility of the indicators of accuracy to users.

Part-III: Basic Reasons for Revisions

Revision is defined generally as any change in data released to the public by a data-producing agency. The revisions may pertain to a flow, or a stock, or any change such as increase in the rate. It reflects some additional work done to develop new data series or revise already existing data series. Revisions take place for a number of reasons such as:

1. to include improved source data;
2. to capture routine recalculation;
3. to adopt improved methodology;
4. to correct errors

The timing factor involved actually describes the frequency of revisions. The revisions that are made in the weeks or months shortly after a first release of data are called “current revisions”. “Annual revisions” are made after data for all the months or quarters of a year become available. Furthermore, annual revisions often affect several years of

data—perhaps three or four years—so an annual estimate may be subject to revision more than once. The less frequent revisions, often four or more years apart, may be called “comprehensive,” major,” “historical,” or “benchmark” revisions. (They are normally occasions for major changes in statistical methods, concepts, definitions, and classifications)

The following important aspects have been kept in mind while preparing the policy.

1. Users Needs

The revisions may affect users’ needs and should therefore be well-aware of:

the *timeliness* of first release of data together with timing of subsequent revisions

the *accuracy* of first release of data and subsequent revisions

the *consistency* of data over time

the *documentation* for the revisions provided to users

2. Resources availability

It is required to perform a kind of “cost benefit analysis” to make realistic and sustainable decisions with respect to the timeliness and frequency of data releases and revisions.

3. Maintenance of credibility

The confidence in the figures is built with the confidence in the statistical agency disseminating them. Fundamental to achieving trust in, or credibility of, statistical agencies is integrity.

For the revisions, users are to be informed about the causes and would have access to complete documentation on methodology and procedures.

Part-IV: Good Practices for Revision Policies

In order to develop a good revisions policy, it is imperative to delineate a comprehensive and internationally accepted set of good practices that would jointly constitute a sound revisions policy and serve as guiding principles. The following main revision practices are consistent with the general principles of good governance in statistics: -

1. Regular discussions with users to bring forth views about revisions practices besides communicating them the revisions policy.
2. An announcement about expected revisions with reasons available to users.
3. Recent revision phase comparatively stable from the previous years.
4. Revisions to be timely and scheduled to include new source data.
5. Key methodological revisions typically brought in every four to six years.
6. Revisions made retrospectively covering several years to give consistent time series.
7. Documentation on revisions readily accessible to users.
8. Provisional or estimated data and revised data identified as such.
9. Advance notice given of major changes in concepts, definitions, and classification and in statistical methods.
10. The sources of revision explained when the revised series are released.
11. Gaps in series documented when consistent series cannot be constructed.
12. Users reminded of the size of the possible revisions based on past history.
13. When a mistake in reporting or processing is made, the revision is made in a transparent and timely manner.

Part-V: The Revision Schedule

Statistics and Data Warehouse Department of the State Bank of Pakistan understands its responsibility to inform users about the concepts and methodology used in collecting, processing and analyzing data. It feels that data users must be able to verify the conceptual framework and definitions used to satisfy their particular data needs. Users also need to be able to assess the degree to which the accuracy of the data and other quality factors are consistent with their intended use or interpretation. The following principles would be followed in carrying out the revisions in various data series regularly disseminated by the department.

1. Documentation on revisions would be readily available/accessible to users.
2. The provisional data which is subject to revision would be marked with “P” and the revised data published with same details would be marked with “R”.
3. The sources of revision would be explained to the users when the revised data are released.
4. It would also be assured that the recent revision phase is comparatively stable from the previous ones.
5. On adoption of new methodology, the stakeholders would be informed by mentioning it in the footnote. The previous years data would also be released on the basis of methodology so adopted where possible.

The standard practices adopted for revisions due to reasons outlined in Part III are summarized below

1. Revision to improve source data

Data are compiled and released regularly to meet the target dates and timeliness according to the internationally recommend standards. Data providers sometimes revise the figures based on the actual positions received with them from far flung areas or they revise the data after reconciliation with the horizontal peers in the organization. Statistics Department also reconciles data with the other sources such as supporting documents of imports, exports and invisible receipts and payments and data available with the other departments of the SBP. Thus the revisions are made on the basis of improved sources data. The revision of data compiled by the Statistics Department lies under this category.

Data Category	Release date	Revised Date	Remarks
Average exchange rate - US\$ only	By the 4-5 th of the following month	No revision is made	Considered final at its first release
Average exchange rates of selected currencies	By the 8-10 th of the following month	No revision is made	Considered final at its first release
Workers' Remittances	By the 16-17 th of the following month	By the 16 th of following 2 nd month to which data relates	
NOSTRO Balances	30 th of the following month	By the 30 th of following 2 nd month to which date relates	
Export Receipts Data.	30 th of the following month	By the 30 th of following 2 nd month to which date relates	
Imports Payments Statistics	30 th of following month	By the 30 th of following 2 nd month to which date relates	
Invisible Receipts and Payments Statistics	30-31 st of following month	By the 30 th of following 2 nd month to which date relates	
Export Receipts (Publication) on website	40 days after the month to which data relate	By the 30 th of following 2 nd month to which date relates	
Imports Payments (Publication) on website	40 days after the month to which data relate	By the 30 th of following 2 nd month to which date relates	
Foreign Investment-Direct & Portfolio (Flows)	22 nd of following month	22 nd of following 2 nd month to which data relates	
Foreign Liabilities & Assets and Investment in Pakistan(Stocks)	September		Considered Final at its first Releases
Monthly BOP	By the 10 th of Second month	Revision not released	
Quarterly BOP	By the end of next quarter	One quarter after release date	

Data Category	Release date	Revised Date	Remarks
Consolidated statement of FCA (Old & New -FE-25)	By the 16 th of following month	Generally not revised	May be revised when substantial error or omission is detected
Gold & Foreign Exchange Reserves	30 th of the second month	Generally not revised	May be revised subject to changes by Accounts Deptt. & ADs
Outstanding Debt & Foreign Exchange Liabilities and Debt Servicing	45 days after the reference quarter	Generally not revised	Data are subject to revision by Ministry of Finance.
Scheduled Banks Statistics	17 October for June and 17 April for preceding December	17 April for preceding June and 17 October for preceding December	
Co-operative Banks Statistics	30 October for June and 30 April for preceding December	30 April for preceding June and 30 October for preceding December	
Advances Classified by Borrowers/Securities	By end of the following months to which it relates.	By end of following 2 nd month to which data relates	
Profit and Loss Accounts of Scheduled Banks	Provisional data is released by 10 th May of the following year to which it relates	Final data released by end of July of the following year to which it relates	
Weighted Average lending and deposits rates	By end of the following month to which data relate	By end of following 2 nd month to which data relates	
Fixed Industrial Investment in Private Sector.	45 days after the quarter end.	135 days after the quarter end	
Flow of Funds Accounts (based on the data available in BOP, Monetary Statistics and Economic Survey of Pakistan)	30 th June of following year		Considered Final at its first Releases
Detailed Flow of Funds Accounts - estimates of	30 th September of the following		Considered Final at its first

Data Category	Release date	Revised Date	Remarks
resources/uses among all sectors of the economy.	year		Releases
International Investment Position (IIP) of Pakistan	Provisional data on IIP by 30th June every year	The data on IIP is revised with a time lapse of about one year	The revision is based on finalization of Annual Enterprises Survey Foreign Investment Survey
Seasonal adjusted data	One month after compilation of relevant series	Revision on half yearly basis, one month after the availability of relevant series	
Liabilities/Assets of Scheduled Banks	Data received by 20th of the following month Compiled and released within 10 days	30 days after the first release.	Data reconciled with BSD.
Pakistan Monetary Survey	Data received by 20th of the following month to which it relates. PMS prepared by 27 th of the following month	30 days after the first release and within 90 days for June, July and August Survey.	Provisional data from A/c deptt. is used for the month of June, July & August.
Credit to SMEs	End of month	30 days after the first release.	Data reconciled with BSD.
Analytical Accounts of <ul style="list-style-type: none"> • State Bank of Pakistan • Scheduled Banks 	<ul style="list-style-type: none"> • 14th of the next month • 29th of the next month 	30 days after the first release and within 90 days for A.A/c of June, July and August.	Provisional data from A/c deptt. is used for the month of June, July & August.
Monthly data on Cotton Financing Capital Financing	25 th of following month	30 days after the first release.	--
Sectoral Balance Sheets of	By the 15 th of 2 nd	30 days after the	

Data Category	Release date	Revised Date	Remarks
Non-Bank Financial Corporations'	month	first release.	--
Sectoral Balance Sheet of Financial Auxiliaries'	60 days after reference Quarter	One quarter after the first release	--
Sectoral Balance Sheet of Insurance companies'	60 days after reference Quarter	One quarter after the first release	--
Other Financial Corporation Survey	60 days after reference Quarter	One quarter after the release of reference Quarter	--
Financial Corporation Survey	60 days after reference Quarter	One quarter after the release of reference Quarter	--

2. Revisions to capture routine recalculation

The historical data is a need of researchers and policy makers. If some changes have been made in the method of calculation, or base years have been changed, the previous data for few years is also compiled on the same method or factor of change and revised data is disseminated accordingly.

3. Revisions to adopt improved methodology

In the global changing environment, treatment of transactions is reclassified. Compilation guides are regularly being changed in the international scenario. Major changes in statistical methods, concepts, definitions and classifications are made but less frequently, as the new versions of compilation manuals are released by the IMF etc, the old data are revised to measure the comparability and compatibility. For example the external sector data/ BOP are revised if new version of the Manual is released by IMF. Monetary and Financial Data would be revised after introduction of new version of MFSM.

4. Revision to correct errors

Data reported by the data providers are checked thoroughly according to the special checks developed by the Statistics Department based on the policies, rules and regulations of the Government of Pakistan and SBP. Judgmental decisions are also made to see the data validity. For example, if any NBFC is reporting transferable, deposits as a liability in his monthly statement of liabilities and assets, it is against the policy that is rectified by the data provider. If Foreign Investment Data (FDI) has been reported in the name of an individual, it is inquired meticulously and necessary rectifications are made with the consultation of the reporting authority. This type of revision is take place when it is needed.