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Press Release

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Sri Lanka Data and Statistics

The Central Bank of Sri Lanka notes with disappointment, certain claims regarding Sri Lanka's data and statistics, made by various persons as published in newspaper articles recently. In these articles, the integrity of the data used in compiling national accounts and other indicators has been questioned, allegedly based on certain statements made by the IMF and a few other selected persons. The Central Bank wishes to state that the comments and allegations cited in these articles are unfounded and baseless, and that the writers have distorted the recommendations of the IMF, and used its statements largely out of context. Some of those claims have also ignored the notable progress achieved by Sri Lanka in improving its data compilation and dissemination standards, and therefore, the Central Bank wishes to set out the following facts for the benefit of those who have an interest in this topic.

1. Sri Lanka currently follows the General Data Dissemination System (GDDS) of the IMF, and has been a participant in the GDDS since July 2000. The Central Bank and the Department of Census and Statistics (DCS) continue to submit country information/data as per the requirements under Article IV to the IMF. The IMF has been consistently using these data for their publications and reports,

thereby indicating their confidence and reliance on the data compilation and the submitted information.

2. It is noted that some articles have quoted the IMF staff report published in April 2013, upon completion of the Article IV Consultation Mission. As is well known, Article IV consultation missions, in general, discuss matters relating to data in member countries, and almost always, propose recommendations for further improvements in every country. Therefore, the recommendations proposed for Sri Lanka, are progressive measures which would assist the country to further improve its compilation of national account statistics, and are not in any way a suggestion that the current methodology cannot be relied upon. At the same time, Sri Lanka too, on its own, has undertaken wide ranging initiatives to further improve the compilation of its national statistics. In that background, the Central Bank is of the view that the comments cited by those articles, which have been taken out of context in order to support an incorrect conclusion that the current status of data compilation in the country is unsatisfactory and unreliable, is a mischievous attempt to distract from the progress made in the country's economy, which is supported by existing data.

3. The Central Bank is also pleased that, in response to a request made by Sri Lanka, a Technical Assistance (TA) mission from the IMF visited Sri Lanka during September/October 2013 to provide guidance on rebasing of GDP estimates and quarterly national accounts. While that IMF mission has recognised that Sri Lanka meets most minimum requirements, it has also recommended datasets for the implementation of 1993/2008 System of National Accounts (SNA), with some exceptions of institutional sector accounts. In this regard, in implementing 1993/2008 SNA, the labour force surveys and value added tax data are now being used as alternative sources for compiling national accounts data through indirect methods. The use of such indirect methods to verify and validate data is practiced by many countries too, and is in keeping with acceptable standards.

4. In the meantime, the Department of Census and Statistics (DCS) has also launched an Economic Census in 2013, and follow-up establishment surveys are planned in 2014. These surveys too, aim to address any national accounts source data gaps, in the short to medium term. In addition, the DCS has also planned to revise the base year of GDP to 2010 during this year, and in doing so, certain benchmark activities have already been initiated.

In this background, the Central Bank reiterates that the news articles in question have been written, either in ignorance of the current developments taking place in Sri Lanka to enhance the compilation of national accounts statistics, or with the malicious intention of tarnishing the image of the DCS and the Central Bank. The public is therefore advised to be mindful of the factual position, and the priority placed by the Central Bank and the DCS on the complex function of data compilation and presentation in order to ensure its integrity. The Central Bank also assures all stakeholders that all necessary efforts are being taken to ensure high quality data dissemination, and accordingly advises the public not to be misled by such reports and claims that seem to be made to achieve politically motivated agendas.