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Robert
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Señor
Louis Marc Ducharme
Director del Departamento de Estadísticas
Fondo Monetario Internacional
Washington, D.C.

Estimado Señor Ducharme:

Sirva la presente para mostrarle mi alta estima y agradecimiento por el apoyo recibido de su Departamento para el fortalecimiento de las capacidades estadísticas del Banco Central de Reserva de El Salvador. Así mismo, agradezco la oportunidad de reunirme con usted y su equipo en Washington durante mi reciente visita en el marco de las reuniones del FMI y BM.

Me complace conocer las valoraciones positivas efectuadas por usted y su equipo durante la referida reunión con su Departamento sobre los avances realizados por el BCR y el país en la actualización del año base de las Cuentas Nacionales al año 2005, adopción de la metodología del SCN2008, publicación de cuadros periódicos de oferta y utilización, publicación del PIB trimestral con el QNAM2017. Trabajaremos en los retos que nos señalan de prepararnos para hacer una nueva actualización de año base, para lo cual he instruido al Departamento de Cuentas Nacionales de este Banco a que prepare a la brevedad una hoja de ruta y estrategia para su implementación y para lo cual nuevamente agradeceremos su acompañamiento a través de Asistencias Técnicas.

Me llena de satisfacción el informe entregado por su equipo (ver anexo) en nuestra reunión del martes 15 de octubre del presente año, con su Departamento de Estadísticas del FMI donde nos expresa que el BCR y país excede en el cumplimiento de 3 categorías de las Normas Especiales de Divulgación de Datos (SDDS, por sus siglas en inglés) y que cumple en dos categorías más, con lo cual el BCR y país puede aspirar a dar el siguiente paso, como es escalar a SDDS Plus. Le comparto que he instruido a la Gerencia de Estadísticas Económicas y Gerencia de Sistema Financiero de este banco para que desarrolle un plan de transición para las categorías restantes, como son Balances Sectoriales, Indicadores de Solidez Financiera y Títulos de Deuda para que las podamos implementar en los próximos 5 años.

Por las razones antes expuestas, atentamente le solicito al FMI reconozca los avances estadísticos logrados por el BCR y país a la fecha y considere nuestro compromiso por adherirnos a los estándares del SDDS Plus, para lo cual será de importancia el acompañamiento del FMI en el proceso de transición.

Agradezco nuevamente por todo el apoyo brindado por su Departamento al fortalecimiento de la capacidad estadísticas del BCR y del país, que ha sido fundamental para proveer insumos robustos para la evaluación y formulación de política pública.

Atentamente,



Carlos Federico Paredes Castillo
Presidente

Banco Central de Reserva de El Salvador



STATISTICS

2019 Annual Meetings: El Salvador

OCTOBER 15, 2019

Brian Graf
Real Sector Division

Real Sector – Progress

National Accounts

- Rebased national accounts to 2005.
- Implemented significantly improved compilation methodologies.
- National accounts more broadly reflect concepts of the 2008 SNA.
- As part of the annual series with base year 2005, Supply and Use Tables are now compiled regularly.
- Quarterly GDP is now compiled based on concepts and methods from the *Quarterly National Accounts Manual (QNAM 2017)*.

Price Statistics

- CAPTAC nor IMF have not provided TA on the CPI or PPI in recent years.

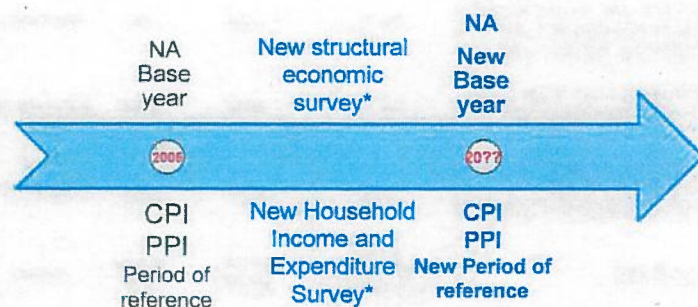
Real Sector – Outstanding Issues

National Accounts

- Rebase national accounts to a more recent year

Price Statistics

- Update prices weights



* The Economic and Population Censuses constitute the most comprehensive statistical exercise and are the base for elaborating sampling frameworks. In the case of El Salvador, it is important to know the feasibility to conduct these Censuses.

TA mission confirmed for **October 23-25, 2019** to:

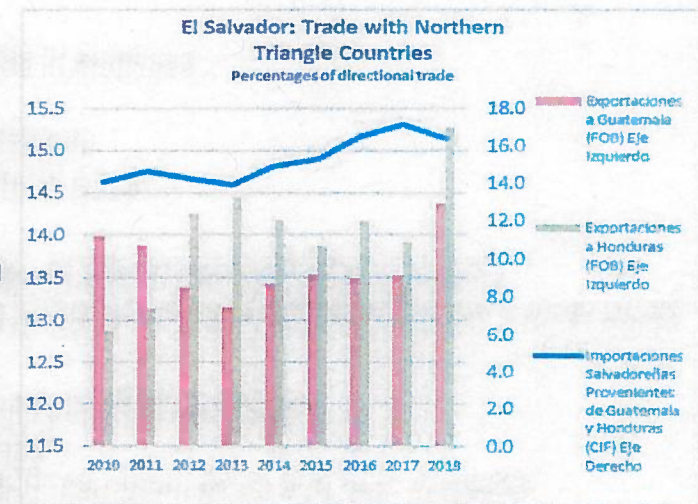
- Discuss the progress achieved on National Accounts by the country with the new management
- Review the main methodological and procedural issues and jointly elaborate an enhancement workplan
- Agree on a strategic high-level plan to improve the National Accounts, including the required source data and the base year update

Ongoing Rebasing Activities in CAPTAC-DR

Country	SNA Vintage	Last NA update	Revision Size (% of GDP) on last update	Main drivers of the revision	Next NA update	Last Economic Census/Structural Economic Survey	Last Household Survey	Next revision main drivers
Costa Rica	2008	2012	12.6%	2008 SNA, improving methods by economic activity, inclusion 2012/13 HIES and 2012 structural survey, and chain-linking method for volume measures.	2017	Structural Economic Survey 2017	HIES 2018/19	Inclusion 2018/19 HIES and 2017 structural survey, enhancement of compilation methods by economic activity.
El Salvador	2008	2005	-14.0%	2008 SNA, improving methods by economic activity, inclusion 2005/06 HIES, and 2005 structural survey.	-	Structural Economic Survey 2005	HIES 2005/06	-
Guatemala	1993	2001	-10.9%	1993 SNA, updating of the structure of the economy (previous base year was 1958 with 1953 SNA), enlargement of coverage by economic activity, SUT, and chain-linking method for volume measures.	2013	Structural Economic Survey 2013	HIES 2009/10	Implementation 2008 SNA and improving coverage by economic activity with 2013 economic survey.
Honduras	1993	2000	19.3%	1993 SNA, updating of the structure of the economy, inclusion 1998/99 HIES, and improving coverage by economic activity with 2000 economic survey.	2016	Structural Economic Survey 2016	HIES 1998/99	Implementation 2008 SNA, improving coverage by economic activity with 2016 economic survey, chain-linking method for volume measures.
Nicaragua	2008	2006	29.3%	1993 SNA, extension of the coverage by economic activity, inclusion HIES 2006/07, and chain-linking method for volume measures.	2018	Structural Economic Survey 2006	HIES 2018	Inclusion 2018 HIES and 2018 structural survey, enhancement of compilation methods by economic activity.
Panama	1993	2007	7.6%	1993 SNA, FISIM 2008 SNA, annual SUT, improving coverage by economic activity, inclusion HIES 2007/08, and chain-linking method for volume measures.	2018	Economic Census 2012	HIES 2007/08	-
Dominican Republic	2008	2007	-1.7%	2008 SNA, inclusion 2006/07 HIES, improving coverage by economic activity with 2007 economic survey, and chain-linking method for volume measures.	2018	Structural Economic Survey 2007	HIES 2018	Inclusion 2018/19 HIES and 2018 structural survey, enhancement of compilation methods by economic activity.

External Sector Statistics

- El Salvador compiles and publishes **complete** set of External Sector Statistics, including CPIS and CDIS.
- El Salvador entered into the **Customs Union of the Northern Triangle Countries** in the latter half of 2019. In this context, there is a possible risk of a short-term loss of trade data coverage, as trade in goods is compiled by the Directorate General of Customs (DGA), whereas trade in the customs union will be compiled by the Directorate General of Internal Revenue (DGII).
- What can be done to mitigate this risk?



Government Finance Statistics – Progress

- El Salvador leads GFSM 2014 implementation for decision making in CAPTAC-DR
 - Dissemination of BCG quarterly time series from 2014 to 2019Q2 for government fiscal and debt statistics.
 - Annual general government GFS data disseminated to STA since 2004.
 - GFS encompasses accruals & cash data, and balance sheet items (including fixed assets).
- Recent publication (Sep 2019) of the Long Term Fiscal Framework (2019-2029) includes a chapter on the 4 main SOEs applying the GFSM 2014 concepts and indicators for analytical purposes (<https://www.mh.gob.sv/pmh/es/>).
- Increased coordination and cooperation between the MOF and the Central Bank:
 - Institutional table of public sector and increased alignment in sectorization.
 - Mapping the discrepancies in debt data between both institutions.
 - Preliminary assessment on the use of market value for debt securities in statistics.

Government Finance Statistics – Outstanding Issues

- Improve GFS data on cash basis.
- Increase the institutional coverage of GFS (SOEs).
- Increase frequency of data coverage (central government, social security and local governments).
- Construction of long term time series,
- Compile quarterly Classification of the Functions of Government (COFOG).

Planned TA missions:

- November 4-15, 2019 – High frequency on Government Finance and Debt statistics.
- February 3-14, 2020 – Integration of stocks and flows, and improve the coverage of the GFS data.

Monetary and Financial Statistics – Progress

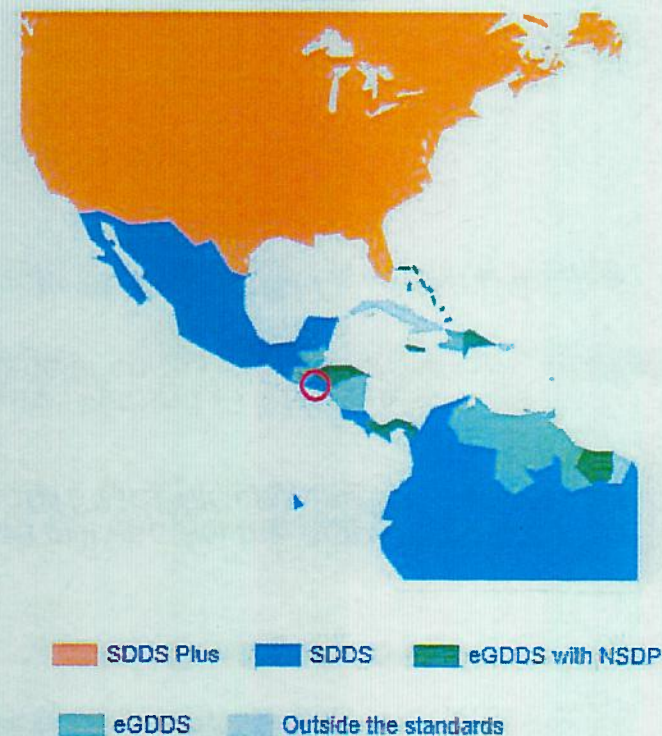
- **MFS data** are broadly adequate for surveillance and are in line with the 2000 MFSM.
- **Standard report forms (SRFs)**. El Salvador reports monthly data on the central bank, other depository corporations, and other financial corporations based on SRFs
 - ◆ STA provided intensive TA to El Salvador through two regional projects, in coordination with the Central American Monetary Council (CAMC).
 - ◆ The regional projects for the harmonization of MFS took place in 2006-08 and 2010-12, focusing on compilation of harmonized data on money issuers (central bank and other depository corporations) and other financial corporations, respectively.
- **Financial Soundness Indicators (FSIs)**: El Salvador reports monthly FSIs for deposit-takers with a time lag of less than three months.

Monetary and Financial Statistics – Outstanding Issues

- **MFS:** Implementation of the 2016 *MFSMCG* is pending. STAFI will contact the authorities to initiate implementation and reporting of the new SRFs following the 2016 *MFSMCG* in the coming months.
- **FSIs:** No FSIs for sectors/markets other than deposit-takers are reported to STA. These FSIs include ratios on: other financial corporations (OFCs), nonfinancial corporations, households, market liquidity, and real estate markets.
 - ◆ The new FSI guide of 2019 significantly expand the number of FSIs for OFCs, making them a priority for further improving FSI data reporting to STA.
- There are no planned/scheduled TA missions through the end of FY20.

SDDS – Progress

- El Salvador was the **first** country in **Central America** to subscribe to the **SDDS** (in 1998).
- As described in the latest SDDS Annual observance report, El Salvador exceeded the SDDS frequency requirement for General Government Operations in 2018 and exceeded the timeliness requirements in seven data categories.
- El Salvador has certified its metadata annually since 2009.



Outlook for SDDS Plus

- Countries can **adhere** by initially disseminating **five of the nine** required categories with **transition plan** to disseminate the remaining four within five years.
- **Preliminary analysis** suggests **El Salvador** could **satisfy five** data categories, and a credible commitment needed on the transition plan to publish the remaining four categories.
- **Adherence** to the SDDS Plus will also **require** El Salvador to disseminate data in machine-readable (**SDMX**) format.
- Once the country is producing the required data—**adherence** can take **up to a year** of collaboration remotely.

El Salvador Data Dissemination vis-à-vis SDDS Plus (Preliminary)

Data Categories	El Salvador	
	Periodicity	Timeliness
Sectoral balance sheets	Transition plan	
General government operations	M	1M
General government total gross debt 2/	M	1M
Other financial corporations survey 2/	M	3M
Financial soundness indicators 3/	Transition plan	
Debt securities	Transition plan	
Coordinated portfolio investment survey (CPIS)	SA	7M
Coordinated direct investment survey (CDIS)	A	9M
Currency composition of official reserves (COFER) 4/		

/1 Given data are widely available from private sources, dissemination by official producers may be less time-sensitive

/2 Not currently in the NSDP /3 Residential real estate prices are not currently disseminated.

/3 Residential real estate prices are not currently disseminated. 4/ Data for individual countries are strictly confidential

Exceeds SDDS Plus requirement

Meets SDDS Plus requirement

