

Good morning Ladies and Gentlemen. I am delighted to be here in Morocco today to launch this conference on Macroeconomic and Financial Statistics for Evidence-Based Policy Making. I would like to extend a warm welcome to our distinguished speakers and participants.

I would like to begin by expressing my gratitude to the government of Morocco for hosting this event and for its generous hospitality.

Allow me also to thank the Honourable Minister of Finance, Mr. Nizar Baraka. Excellency, this is a clear indication of your strong support for evidence-based policy and decision making and formulation. I would also like to thank all the authorities and representatives of the Arab countries gathered here as well as international financial institutions.

In recent years, the official statistical community has made a great deal of progress in developing methodologically sound economic and financial statistics covering traditional datasets, and in developing and implementing a number of other important data initiatives. This has brought great

benefits to policy makers and analysts in terms of the availability, comparability, and broad consistency of data across countries.

On our side at the Fund, we are not only a major consumer of statistics, but also we promote transparency and compile and disseminate data. In recent years, we launched several data initiatives: (i) the Special Data Dissemination Standard (SDDS) established in March 1996 to guide countries that have, or seek to have access to international capital markets, in providing their economic and financial data to the public; and (ii) the General Data Dissemination System (GDDS), established in December 1997 to guide our member countries in developing plans for statistical improvements. Both of these initiatives have been very successful. As of today, there are 71 countries that are SDDS subscribers and 102 that are GDDS participants, accounting altogether for more than 90 percent of our membership. Currently, only 17 IMF member countries are neither GDDS participants nor SDDS subscribers, of which two are from the MENA region. Also, in the near future the IMF will launch a new tier under these initiatives, the SDDS Plus, aimed at enhancing dissemination

of key data by economies with global and systemically important financial sectors. This initiative builds on the work we have been doing since 2009, as a joint effort of several international institutions represented at the Inter-Agency Group on Economic and Financial Statistics (including the Fund as chair) as part of a G-20 Data Gaps Initiative. Other recent initiatives led by the IMF include the work on assessments of data quality through the data module of the Reports on the Observance of Standards and Codes, as well as the Coordinated Portfolio Investment Survey (CPIS), the Coordinated Direct Investment Survey (CDIS), and the Financial Soundness Indicators database.

Several economies in the region have been successful in improving their statistics through their participation in the CPIS (such as Bahrain, Egypt, Kuwait, and Lebanon) and also in the CDIS (such as Bahrain, Jordan, Kuwait, Morocco, and West Bank Gaza). Apart from those that already participate in the CDIS, several more have indicated interest in doing so in the near future. The IMF is grateful for the efforts of these participating countries to improve portfolio and direct investment statistics by counterpart economy

Some of these initiatives were the result of the spate of emerging market financial crises that happened in the 1990s. We are now recovering from a much worse and devastating global financial crisis that has inflicted tremendous costs around the world, and which served as a humbling experience and wakeup call for most of us, and I believe including for statisticians

If anything, the global financial crisis highlighted the need for better financial governance globally, regionally, and at the national level, including the development of the main principles of macroprudential supervision, understanding financial interconnectedness, reinforcing fiscal discipline, and better understanding of external financial flows. Obviously, an important prerequisite for eventual success in addressing any of the mentioned aspects of financial governance is good statistics.

While the crisis did not happen because of lack of data, it revealed serious data gaps in key areas that might have helped the authorities to measure, understand, and respond better to a buildup of risks to the international financial system. Even for

the most advanced statistical systems, such as in Europe and North America, the crisis highlighted “black holes” in data that now need to be addressed.

Closing these gaps involves an important and heavy work agenda for the years to come. We need to make the world statistical system more robust and better equipped to cope with the new and diverse needs and sources for data.

Certainly, additional resources will be needed to improve the ability of the regulatory and statistical agencies to collect the necessary micro data. In some cases, there will also be a need for strengthened legislative frameworks to create an appropriate balance between confidentiality of data and transparency. It is imperative that data collection efforts particularly on global financial networks recognize international dimensions and seek appropriate participation from regulators worldwide, especially in jurisdictions with significant financial centers. The task before us, therefore, requires strong regional coordination, collaboration, and cooperation. But I am sure that by working together, we can lay the foundations for a sound and stronger regional statistical system.

Let me turn now to the region. The importance of statistics in driving and supporting the development process of Arab countries cannot be overemphasised. In fact, Arab countries and development partners have increasingly recognized the need for better statistics for evidence-based policy making. Nevertheless, a number of Arab countries still do not have statistical systems that can provide the sound statistical data required for this purpose.

This is where we see great merit in a regionally consolidated statistical body, namely ARABSTAT. Such an institution could offer a regional statistical platform, which could be a leading agency to coordinate activities among national statistical agencies, promote the region's statistical systems in line with international standards, support integration of member countries, and increase the stake in regional initiatives.

As in other regions, the purpose of ARABSTAT would be to establish a regional institution that would take the lead in promoting the production and dissemination of data at the country as well as regional level. It would spearhead efforts in

improving data quality to meet international standards and offer an appropriate forum to foster collaboration and enhance coordination among the activities of national statistical agencies. This goal can be achieved through collective efforts for the development and promotion of statistical methodologies and through the harmonization of national statistics as well as methodologies and dissemination practices

In sum the importance of investing in statistical capacity is, I believe, now accepted by policy makers. However, much more remains to be done. We now need to act.

In the meantime, I trust that we will have active discussions throughout the day, and I look forward to our roundtable this afternoon to discuss next steps towards drawing up a roadmap for establishing ARABSTAT. Thank you.