International Network for Exchanging Experience on Statistical Handling of Granular Data (INEXDA)

Paulo Guimarães
Deputy Director Economics and Research Department
Microdata Research Laboratory
Banco de Portugal
pfguimaraes@bbportugal.pt
Motivation

• Aggregate datasets are important for monitoring macroeconomic developments and macroeconomic policy.

• However, they provide only an incomplete view of drivers and effects of changing structures in the real economy and financial sector. The analysis of heterogeneity is key to come to a better understanding of aggregated evolutions.

• Even more, granular data is necessary to understand global developments and in particular differences across countries.
Motivation

• Take the **decline in cross-border banking activities** since the global financial crisis as an example. This development raises many **questions**:
  - Which banks have withdrawn from foreign markets?
  - Has the withdrawal been driven by regulation, by macroeconomic factors or by bank-specific factors?
  - Are these patterns similar across countries?
  - What have been the effects on bank risk and lending?

• These questions **cannot be answered without combining datasets** from different sources:
  - Bank income statements and balance sheets
  - Reports on external positions
  - International data
Motivation

• Combining datasets and looking beyond aggregate statistics into heterogeneous developments require the transformation of “data” into “knowledge”.

• Legal constraints make it difficult, or often impossible, to link micro datasets from different jurisdictions, even for research and financial stability analysis.

• Better accessibility and sharing of granular data would open up new possibilities for analysis by providing new insights into the effects of policies.
Motivation

• **Other examples** of important topics which need granular data for investigations:
  - Information on **channels of transmission** of **monetary policy** across different institutions;
  - **Sectoral** and **firm-level drivers** of **productivity**;
  - The **build-up of risks** to financial stability;
  - **Casual impact** of regulatory and monetary policies.

• The **availability** and **flexible use** of **granular data** early on is an **integral part** of any structured process of **policy evaluation**.

What can we do from the statistical side to support this process?
INEXDA: The Granular Data Network

On 6th January 2017:

• Banca d'Italia,
• Banco de Portugal,
• Bank of England,
• Banque de France,
• Deutsche Bundesbank

have launched INEXDA, an international cooperative project exchanging experiences to declare their willingness to further strengthen their cooperation.
INEXDA: General Mission

• Acknowledging the relevance of micro data in the area of independent scientific research, policy advices (for example monetary policy or financial stability) and statistics and their importance for international comparisons.

• Promoting the G20 Data Gaps Initiative II, in particular recommendation 20, addressing the accessibility of granular data.

• Acknowledging and supporting the work on data sharing of the Irving Fisher Committee on Central Bank Statistics.
INEXDA provides a basis for exchanging experiences on the statistical handling of granular data, such as:

- **the accessibility** of data and metadata;
- techniques for **statistical analysis** of granular data;
- procedures for **confidentiality and security** of data;
- and methods of **output control**.
INEXDA: Subject and Scope - Framework and Aim

INEXDA aims at:

• Investigating possibilities to harmonise access procedures and metadata structures;
• Developing comparable structures for existing data;
• Further fostering efficiency of statistical work with granular data.

The ultimate aim of INEXDA is to facilitate the use of granular data for analytical, research and comparative purposes by users outside the participating institutions, within the limits set by the applicable confidentiality regimes.
INEXDA: First 2 Years - a Pilot Exercise

- The five signing central banks have agreed to engage in a **pilot exercise** which envisages:
  - an extensive **stock-taking** of available datasets and existing procedures;
  - the investigation of **harmonisation possibilities** at different levels.
  - a **website** of the network.

- They will present their **results** to other interested central banks, national statistical institutes and international institutions **by the end of 2018**. At the same time, a web page will be launched.
INEXDA: First 2 Years - a Pilot Exercise

- The **INEXDA secretariat** is provided by the Deutsche Bundesbank for the next two years and can be contacted at [INEXDA.secretary@bundesbank.de](mailto:INEXDA.secretary@bundesbank.de).

- Participation in INEXDA is **open to other central banks, national statistical institutes and international organisations**.
First Goals / Next Steps

• Agreement on a metadata schema for a “rough” data description

• Development of an INEXDA metadata database, based on the GESIS DOI registration service (http://www.da-ra.de/en/home)

• Possible cooperation with Administrative Research Data Facility (ADRF) about data documentation, data stewardship, data security and training

• Next meeting in Paris: January/February 2018

• Support from BIS

• Interest in participating: ECB, Mexico, ONS, Spain and Turkey

• General Interest: Brasil, Canada, Chile, US and Thailand
THANK YOU FOR YOUR ATTENTION!