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

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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 structutres** 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  ➢ Which banks have withdrawn from foreign markets?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: Subject and Scope - Statistical Handling

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 securit**y 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**.

- 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!