



BANK FOR INTERNATIONAL SETTLEMENTS

# Financial information: Promoting Data Sharing

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*The views expressed are those of the author and do not necessarily reflect those of the BIS or the IFC.*



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## 1. Growing requests for sharing data...

- Great Financial Crisis showed that (non-confidential) data is a **public good**
- Rising public demand to publish more and revisit confidentiality rules: "**broad sharing**"
- Increased demands to access non-public information by specific users eg other national/foreign data compilers, policy makers, academia: "**narrow sharing**"



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## 1. ... to better exploit available information...

- Make **more data available** to a wider range of users
- Limit **reporting burden** in a post-crisis context marked by the launch of various data collections
- **Richness of existing** (administrative) datasets
- **Private sector leading** by example (internet data)



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## 1. ... with a new data frontier...

- **Granular** data eg institution-level information
- **Distribution** of macro indicators across groups
- Precise accompanying **metadata**, to better understand the information available
- **New, expanding data** sources (big data)



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## 1. ... and to address evolving users' needs

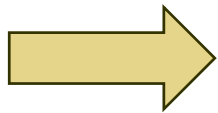
- **Post-crisis policies** focussing more on institution level information (financial regulation, macro prudential tools, unconventional monetary policies)
- **Interconnections** between market segments while authorities remain segmented
- **Cross-border spillovers** while data remain based on national frameworks
- Need for **global indicators** that are not just the aggregation of national data



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## 2. International recognition of the micro data benefits...

- "Pure", **macro-relevant micro information**
- **Distribution** of indicators within a population
- **Better macro**, SNA-type statistics
- Support of (increasing) **evidence-based policies**
- New possibilities in **economic thinking**



*BIS nationality-based datasets, not aligned with traditional residency-based statistics, requiring access to granular information*



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## 2. ...of the users' needs...

- Make data available to a wider range of users
  - **Within** countries
  - **Across** countries
  - **Globally**, ie including international organisations
  - With **specific groups** eg academic researchers, civil society



*Multiple dimensions of data sharing*



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## 2. ...and of sharing possibilities

- Data can be shared more
  - **Cumbersome** nature of existing arrangements
  - **Cultural reluctance** to data sharing: easier just to say 'No'
  - **Outdated** confidentiality constraints
  - **New techniques** eg data anonymization
  - **New arrangements** eg access to researchers



*More data sharing agreements*






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### 3. Ongoing initiatives to promote data sharing

- Independent review of UK economic statistics (C Bean, interim report, Dec 2015)
- **Data Gaps Initiative** Phase II Rec.20: Promotion of Data Sharing

 To promote the **exchange of data** and metadata among and within G-20 economies, and with international agencies, to improve the quality of data, and availability **for policy use**

To increase the sharing and accessibility of granular data, if needed by revisiting existing **confidentiality constraints**



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## 4. Central banks' initiatives: mobilising the IFC network

- Irving Fisher Committee on Central Bank Statistics (IFC)
- 2012: IFC Task Force on Data Sharing chaired by A Schubert (ECB)
- Report on *Data-Sharing: issues and good practices between statistical and supervisory authorities* (January 2015)

### ***DGI II Action plans:***



- *Update and extension of IFC work (statistical offices)*
- *Survey in association with CEMLA*
- *International conference to exchange experiences*



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## 5. The 2015 IFC report on data sharing- Mandate

- Aimed at **improving data sharing** between statistical organisations at the national and international level
- **Took stock of existing practices** regarding the sharing of data, in particular with respect to banks' balance sheets and activities
- Used **case studies** to gain understanding
- **Provided practical guidance** on improving data sharing



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## 5. IFC report on data sharing- work of the TF

### Clarifying the scope

- Data sharing between **supervisors and statisticians** – in the same or between organisations
- At the **national level** – international not explored

### Identification of the benefits, including

- More comprehensive set of information for all decision-makers
- **Reduction of reporting burden** and reluctance of bank to provide data
- **Cross fertilisation** across functional areas
- Better **transparency** and accountability
- More coherent set of data => **higher quality**

### Identification of the impediments

- Legal constraints
- Confidentiality issues
- Cultural and organisational



## 5. IFC report on data sharing - practices

### Silo

- No data sharing
- No cooperation






### Intermediate

- No data sharing, but coordination on methodologies
- Partial data sharing (aggregated information and no coordination)
- No data sharing but full coordination of storage and requirements
- Data sharing but no coordination
- Joint data base, though siloed
- Other cases?

### Full integration

- Full cooperation in methodology and joint data storage
- Full reciprocal data sharing (including confidential information)

## 5. IFC report on data sharing – 6 recommendations

-  **Establish communication with stakeholders, seek proper institutional endorsement**
-  **Ensure a clear legal basis to support data sharing**
-  **Establish a fully-fledged cooperation at all levels**
-  **Collect common data using joint methodological and technical standards**
-  **Ensure sound measures to protect confidential information**
-  **Formalise governance and cooperation arrangements**



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## 5. IFC report– Key messages for central banks

- **Argue more strongly and also in public** the business case of data sharing
- **Raise data sharing issues at the highest level** to gain institutional endorsement
- Propose **services of the central bank statistical department to supervisors** to facilitate data sharing and data cooperation
- **Persevere** as improving data sharing and cooperation does not always work from the first time; sometimes a second-best solution should be accepted, at least initially
- **Benchmark the national situation** with those of other countries
- **Tailor-made solutions needed**, no single best practice

