Policy Use of the DGI Data
The German perspective

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Policy Use of Existing and Forthcoming Datasets in the Bundesbank

- **Feedback** on the policy use of the datasets coming out of the G-20 DGI has been sought prior to the European G-20 DGI conference in April 2015 from relevant departments within the Bundesbank which are responsible for **monetary, macroprudential and microprudential analysis and policy**: Economics, Banking Supervision, and Financial Stability Departments.

- Notably, throughout **all policy departments, particular importance** is given to those datasets that inform about **cross-border financial linkages (recommendations #8 through #14 of phase 1 of the DGI)**.

- Depending on the specific policy roles of the departments, the required granularity of the data varies.

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- Generally, the Economics Department, involved in **economic and monetary analysis** is primarily interested in the more **traditional aggregate** (sectoral) **data** though **with more and more granular information requirements** on sub-sectors, instruments, currencies, or maturities, in order to **better capture the increasingly complex (financial) interconnectedness** of sectors and sub-sectors across borders and within the domestic economy.

- **Banking Supervision** as well as **Financial Stability Departments** need, in addition to granular sectoral data, **information at the individual financial institutions' level**, notably for global systemically important institutions, in order to evaluate either individual institutions' risks exposures or to study and model contagion or amplifier effects throughout the international financial system.

- Equally important **for macroprudential analysts** to monitor risk in the financial sector is the information provided by the extended list of **Financial Soundness Indicators** together with the broadened country coverage in this data collection and the prospective concentration and distribution measures for these indicators **(recommendations #2 and #3 of phase 1 of the DGI)**.

Consequences for Data Management within the Bundesbank

- In general, the **demand for more granular and micro-data** for different policy purposes is **evident** from the consultation with users and needs to be attended by statistical and supervisory functions.

- IFC Task Force on Data Sharing concluded that **data sharing between microprudential supervisors and statistics** could lead to **more comprehensive information for all decision-makers**.

- As a consequence, the **role of statistics** and the **statistical process**, particularly within central banks which have a micro- and/or macroprudential mandate, **is changing dramatically**. The statistical process is progressively more open and the same (micro) data are being collected for multiple purposes.

- **Repositories of micro data** together with **appropriate reference data bases** allow an integrated data management for statistical, supervisory and other research purposes.

- This may **increase efficiency and flexibility** in the statistical process, enabling statisticians to respond much faster to new emerging information needs.

German Perspective for the Second Phase of the DGI

- **Phase 2 of the DGI** should try to support this way forward by promoting in a first step data sharing between statistical and supervisory departments/institutions at the national level.

- **Common standards or good practices for access to more granular or micro-data** by different policy departments could be developed on the basis of countries' experiences with institutional arrangements and policies regarding data sharing and confidentiality.

- Instead of organizing additional (micro-) data collections in central/international data-hubs, the next step in the DGI could therefore be to **formulate rules for access** to available micro-data within central banks (or between central banks and supervisory institutions) in order to improve the data basis for monetary, micro- and macroprudential analysis and policy evaluation.

- This process could be linked with work by the Irving Fisher Committee on Central Bank Statistics which intends to include questions on the accessibility to micro data in its annual questionnaire for central banks.