Implications of COVID-19 for official statistics: A central banking perspective

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Introduction

- Impact of CV19 on official statistics

- Key issue for central banks
  - As producers: data gaps / methodological innovations
  - As users: new needs in the face of information disruptions

- Three main lessons
  - “Chests” of statistics compiled since 2007–09
  - Data gaps remain, exacerbated by CV19 / financial innovation
  - Go beyond “standard” offering of official statistics
1. CV19 impact on official statistics: (i) Producers

- **Production disruptions**
  - Statistical darkness: sudden stops / new activities
  - Multiple challenges during the pandemic: responses rates / physical surveys / closed registers

- **Distorted economic variables**
  - Measurement bias in eg activity / inflation
  - How to disentangle impact of government actions?

- **Dilemma for policy makers**
  - Speed and specificity of CV19: call for more data
  - Compilation difficulties & other priorities: relaxation?
1. CV19 impact on official statistics: (ii) Users

- Avoid making “decisions in the dark”
  - Limited accuracy/availability of indicators
  - New data needs

- Compilation difficulties & delays
  - Statistics difficult to interpret as CV19 escalated
  - Less comparable across time/countries
  - Less representative of the economy

- Larger uncertainty and data revisions
  - Structural shifts, agents’ responses to CV19 & policies
  - Significant revisions
2. Implications for central bank statistics

- CV19 triggered a general review of the statistical function in central banks
  i. Similar to what happened after 08/09 GFC
  ii. Renewed opportunity to strengthen CBs’ statistical role

- Two areas of interest
  i. Identifying new data needs brought by the crisis
  ii. Adapting statistical frameworks to ensure the continuous provision of reliable statistics to support policy-making
2. Implications for CB statistics: (i) Data needs

- **Timeliness**
  - Advance the compilation process
  - Other, more timely indicators / nowcasting
  - Vs lower quality? ensure sound compilation techniques

- **Frequency:** weekly, even daily

- **New issues not covered by “traditional” apparatus**
  - Better, more granular access to monitor risks
  - Easier implementation of targeted measures
  - Economic resilience
2. Implications for CB statistics: (ii) Frameworks

- Revised frameworks to support policy making
  - Re-assess CBs’ production functions / reorganisation
  - Focus on 3 points

i. Comprehensive economy overview/understanding

ii. Flexibility to address evolving users’ needs
  - Uncertainty: “think the unthinkable” / avoid complacency
  - New methodological issues raised by CV19

iii. Complementary sources in mainstream frameworks
  - Integrate alternative input data (eg developing countries)
  - Auxiliary sources as “information buffer” / benchmarking
3. A wake up call for official statistics

- Dealing with issues neglected for too long
  
  i. Make better use of existing data
  
  ii. Revamp statistical frameworks by leveraging on innovation
  
  iii. Enhance users’ experience with statistics, with a focus on:
      ✓ Data sharing
      ✓ Cooperation eg CBs/NSOs (advanced & developing economies)
3. A wake up call: (i) Use existing data

● **Dealing with new developments**
  - Additional data to be collected?
  - Or fully exploit currently existing datasets?

● **CV19: shed light on “alternative” sources**
  - Lockdowns: value of web-based/digital information
  - “Untapped” micro-level/administrative datasets
  - Additional insights
    - eg anecdotal information, “economic intelligence”

● **Looking for indicators to assess resilience**
  - Sustainable development
  - Well-being issues (eg governance, inequalities)
3. A wake up call: (ii) Leveraging on innovation

- **Goal:** integrating supplementary data in “main stream” measurement frameworks
  - Start by enriching the financial accounts framework
  - Develop datasets for the entire target population
  - Online surveys to increase response rate / develop proxies

- **Accelerate the production of official statistics**
  - Automated micro/macro linking
  - Compress compilation times, more frequent indicators, reduced revisions
3. A wake up call: (iii) Improving users’ life

- **Opportunity to revisit users’ experience with data**
  - Are statistics used to their full potential?
  - Are users aware of all data opportunities?
  - Where should users turn to?

- **The starting point: thinking the unthinkable**
  - Cooperation: exchange on initiatives/experience
  - Develop data sharing

- **CV19 response at the international level**
  - Platforms to exchange experience / methodology
  - Improve statistical literacy & data usefulness & user dialogue… part of the key objectives of the IFC!
Thank you!!

Questions?

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