TRADE DATA CHALLENGES – CENTRAL BANK PERSPECTIVE

The Central Bank’s Mandate – guides its role in trade and dictates its data needs.

Maintain external reserve

![Graph showing total reserves for different countries including Nigeria, Algeria, Libya, Kenya, Zimbabwe, and South Africa.]

International data sources
- IMF: monetary and financial statistics
- Bank for International Settlements Statistics – South Africa only
- World Bank data
- Africa Development Bank Information Highway
- Other trade data portals

Domestic data sources
- Customs reports
- National Statistics Agency reports
- Central Bank research and statistics reports
- Regulatory returns

**MAIN CHALLENGES**
- Trade data collection approach is primarily document oriented
- No real time data sharing arrangement among data reporting agencies
- Completeness, sufficiency and availability issues
- Skill and resource gap
- Slow evolution of the legal framework

**FOREX INFLOW FORMS/REPORTING**
- Export Proceeds
- Foreign Exchange Market
- Home Remittances
- Oil/Mining Companies
- Loans
- Foreign Investments

**FOREX OUTFLOW FORMS/RETURNS**
- Payments for imports of goods
- Payments for services (school fees, medical services, travel etc.)
- Capital transfers
- Outward remittances
- Loan repayments
Is Big Data the solution?

- The volume challenge: Can Central Banks in Africa collect data from a variety of sources including social media and internet based data?
- The velocity concern: Do Central Banks have the capacity to deal with huge data streams, in a timely and useful manner?
- The variety dilemma: Do Central Banks have the capacity to deal with various data formats and types?

Data gap and possible sources

1. Incomplete data collection tools - No tool to capture trade in services export data in forex management (export of local content, professional services, films, online and remote service providers)
2. Shadow banking/new technology effect – web based services; new business models (E-commerce, uber, Facebook market place, YouTube)
3. Informal sector
4. Incomplete/non-submission of returns

Other issues that drive data needs

- The new role of Central Banks in development financing
- Complementary policy mechanisms
- Cross border supervision requirements
- General Data Protection Regulations and global influence

Possible responses

- Get more from existing data – multi-purpose data collection
- Integrate data management process and promote seamless data sharing
- Review legal frameworks to support information exchange
- Complement trade data management efforts with Central Banks’ resources