



4. STATISTICS

The Bank is primarily responsible for the collection and compilation of a wide range of financial statistics in banking, payments, securities, financial accounts, financial soundness, financial markets and financial institutions. The Bank also collects various other statistics for internal research and policy-making purposes, such as prudential, supervisory and macroeconomic statistics. These statistics are also used by other national and international authorities and organisations, market participants, the media and the general public. The Bank also contributes to the compilation BoP/international investment position (IIP) statistics of the NSO.

The Bank fulfils various international statistical reporting obligations, mainly to the ECB and the IMF. The Bank participates in the Fund's SDDS and the General Data Dissemination System (GDDS).

Participation in Eurosystem-related work was pursued. A new statutory return was implemented to collect data in line with ECB Regulation (ECB/2020/59) and the related ECB Guideline on payments statistics (ECB/2021/13). The collected statistics were subsequently transmitted to the ECB. Concurrently, the credit institutions' data, including related statistics published on the Bank's website, were amended to cater for the new reporting requirements imposed by Regulation ECB/2021/2 (recast) and Guideline (ECB/2021/1), which came into force as from January 2022. In addition, the Statistics Department participated in the investigation phase of the proposed amendment to the ECB's investment funds regulation. Meetings were organised with the investment funds and their association to discuss these new requirements.

Staff from the Statistics Department participated in the ECB expert group on climate change statistical indicators. Work proceeded on the operational phase of the Anacredit database, aimed at providing a harmonised set of credit and credit risk data across participating euro-area countries. Moreover, the Bank kept enhancing the quality of the Maltese securities data held within the ECB's Centralised Securities Database, while collecting a range of securities holding statistics by institutional sector. Data on third party holdings, consisting of securities held by households with non-resident nominees, will be included for the first time in the compilation of the BOP/IIP statistics.

The Bank actively participated in the ESCB Integrated Reporting Framework (IReF) project, primarily intended to integrate in the medium-term several ECB statistical regulations into one common framework. The project aims at increasing the efficiency and robustness of data reporting at the euro area level while reducing the reporting burden on credit institutions. Meetings with the local banking industry were held and in 2023, the latter will be invited to participate in further cost-benefit assessments. Meanwhile, the ECB's Register of Institutions and Affiliates Database (RIAD) continued to be populated with reference data of all newly licenced institutions. RIAD is nowadays considered as the primary reference database for various statistical and supervisory processes.

During the year, the Bank became fully compliant with the ESRB's *Recommendation on closing real estate data gaps* (ESRB/2016/4) as amended by Recommendation (ESRB/2019/3). The data being collected also enables the Bank to monitor developments as per Directive No. 16 on the BBMs and fulfils the Bank's requirements on the hedonic PPI and bank lending standards.

The Bank continued to collaborate with the NSO to enhance the quality of the BOP, IIP and other external statistics and to follow-up on the recommendations of the ECB and Eurostat on this dataset within the

framework of the Macroeconomic Imbalances Procedure. Bank officials proceeded with their collaboration with NSO counterparts to facilitate the migration of the whole BOP database from the legacy platform to the new solution. In the area of financial accounts statistics, work progressed well to meet the amended ECB Guideline in this area of statistics targeted for 2022 and 2023. The Department worked closely with the NSO to reconcile the non-financial accounts with financial accounts statistics. In cooperation with other officials from the Bank, the Statistics Department is working on the compilation of a new set of experimental data on households' distributional wealth accounts which is being developed by the ECB. The methodology and first results were presented in both internal and external fora. The Bank and the NSO registered considerable progress in the preparation for Malta's to adherence to the IMF's SDDS Plus initiative.¹

Statistics from various other financial institutions' (OFI) sector continued to be collected, namely from the pension funds, insurance corporations, investment services providers and the investment funds. Work commenced to create a consolidated OFI survey as part of the IMF's SDDS Plus requirements. In January, the Bank published for the first time an aggregated statement of assets and liabilities of pension funds as part of the Bank's commitment to broaden the range of statistical data available on its website. Moreover, to improve the statistical communication with the reporting institutions, the Statistics Department began publishing periodic statistical newsletters.

Collaboration with *Banca d'Italia* on the Bank's statistical platform – INFOSTAT – progressed into new joint initiatives such as the EBA's and European Insurance and Occupational Pensions Authority's latest taxonomies on supervisory reporting of credit institutions and the insurance corporations, respectively, while work is underway for the implementation of the databank project. The credential management function continued to manage the authorisation process and the helpdesk to support users. Moreover, in its efforts to improve data and statistical robustness, various tools were used. Research was conducted on the use of machine learning techniques for outlier detection. The first results were presented to the Bank's *Big Data and Machine Learning Network* and during the joint workshop with *Banca d'Italia* entitled *IT Strategies, Artificial Intelligence and Machine Learning Techniques*, held in early December.

The Bank continued to operate its CCR to provide borrowers' credit risk information to both credit institutions as well as natural and legal borrowers. This is in line with Directive No. 14, which empowers the Bank to operate the Register in pursuit of its objectives regarding financial system stability, monetary policy analysis and the processing of statistical information. The availability of such a register allows credit institutions and the MDB to access data for assessing risks when granting credit. The searches on prospective and existing clients by credit institutions continued to expand in 2022, reaching 41,610 from 41,050 in 2021.

Meanwhile, the Bank, as the supervisory authority on credit reference agencies in Malta, received in June 2022 a second application from a prospective agency for the license to operate as a credit reference agency.

Cooperation with the MFSA continued to evolve through the *Joint Data Coordination Group*, intended to recommend policy actions on common data management. The *Forum for Central Bank of Malta Statistics* was held together with financial institutions. Concurrently, Bank officials participated in the Statistics Committee in both ESCB and in SSM composition and in its various sub-structures. The Bank's internal *Statistics Committee* continued to meet regularly to define and implement the policy on statistical information within the Bank.

¹ The IMF's SDDS Plus initiative is the Fund's most advanced standard of statistics and which entails the production and strict compliance with quality, frequency and timeliness of statistics.