Strengths and Weaknesses

of the

Portuguese Central Balance-Sheet Database

-How statistics may become closer to user needs-

Topics

- Banco de Portugal's experience
- Banco de Portugal's overview on possible future improvements

Banco de Portugal's experience

Data collection system:

- Quarterly data: survey (in co-operation with NSI; mandatory, short in size and delay)
- Annual data: up to 2006 CBSO survey (voluntary basis) / from 2007 Simplified Corporate Information (sent just once to 4; one size fits all; political support)
- Quality control: accounting coherence, time consistent, cross check with other statistical databases and other sources; treatment of "striking events")

Simplified Corporate Information

CBSD	Before	After
Companies	5%	100%
Timeliness	10/12 months	6 months
Format	mostly electronic	totally electronic
Level of detail	+ 600 variables	+ 1 800 variables

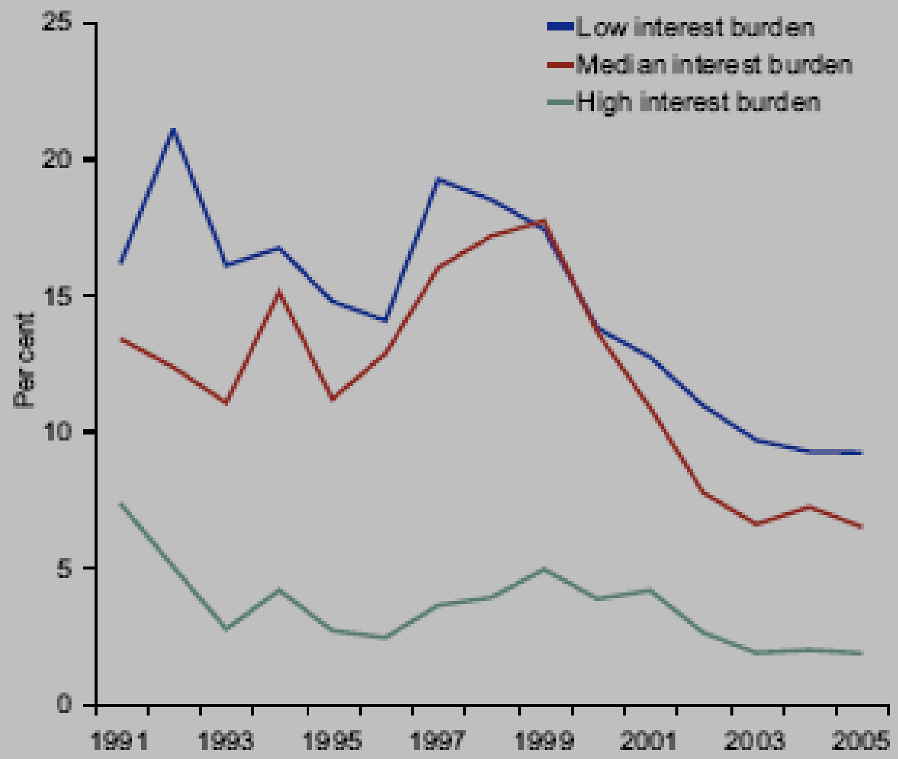
Banco de Portugal's experience

Outputs / Users:

- **Enterprise and Sector Tables** / reporting companies (feedback)
- **Sector Tables** / companies + researchers + enterprise associations + students
- International databases: **BACH** and **European Sectoral References** / companies + researchers
- **Statistics**:
  - National Non-financial (NSI) and Financial Accounts
  - BoP/IIP
  - Quality improvement in other databases (ex: securities);
  - Basis for defining the reporting population on new surveys and extrapolating data on specific issues
  - Statistics from the CBSD (ex: activity, profitability, receivables and payables)/ general public, Ministry of Finance and Research Department

Chart 8

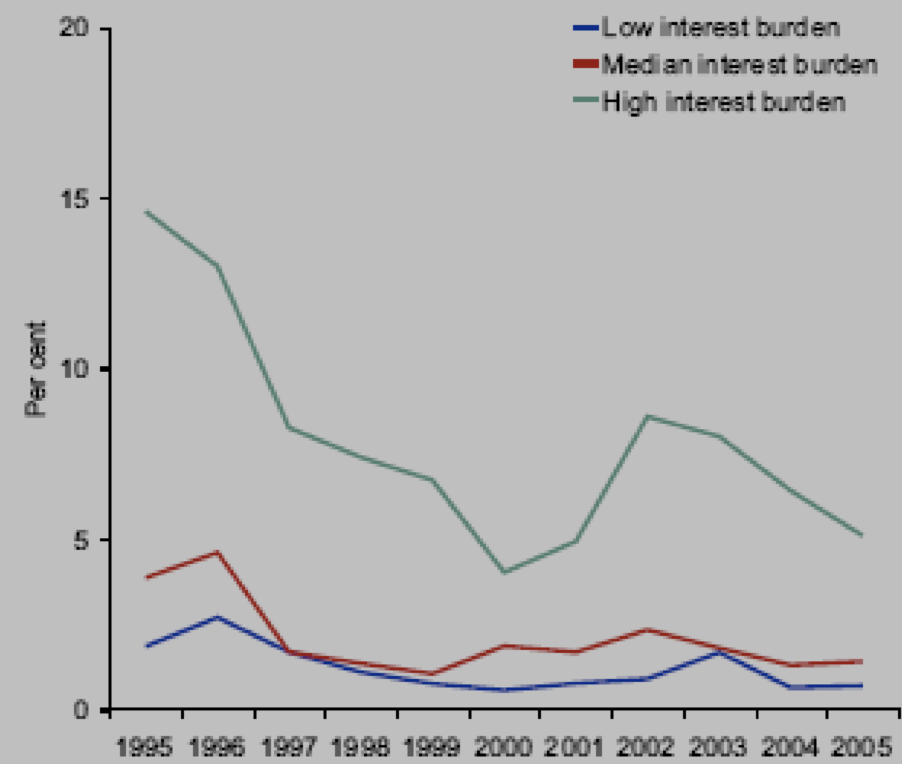
INVESTMENT



Source: Banco de Portugal (Central Balance Sheet Database).

Chart 9

DELINQUENCY



Source: Banco de Portugal (Central Balance Sheet Database and Central Credit Register).

Banco de Portugal’s experience

Strengths (+) and weaknesses (-):

+ CBSO in the Statistics Department (impact on other statistics)
+ Quality control
+ Quarterly data included
+ Institutional cooperation based on legal obligations from 2007 onwards
+ Decrease in overall social costs, but
- Costs to the Bank (financial support, HR, IT)
- Bias (sample)
- Unprepared databases

Possible future improvements

- **National level**
  - Improvement of IT environment (more efficient databases)
  - Extrapolation of quarterly data
  - Enlargement of uses and outputs based on annual data (explore more details available for all companies)

Possible future improvements

- International level
  - Reducing net reporting burden but not the information:
    - relying on administrative sources (cooperation based on legal obligations);
    - asking information only once;
    - agreeing on electronic and common formats for reporting;
    - feedback to companies
  - Complying with international standards as much as possible
  - Increasing the use of Central Balance Sheet Databases for statistical purposes, including data sharing with NSIs
  - Evolving to a complete European database – first steps: more countries and more companies, additional reduction on timeliness; quarterly data
  - Contributing to a European Business Register
  - Working with a close link to a European statistical structure and further investigate the advantages and disadvantages of a database managed jointly by DG-ECFIN and Eurostat or the ECB

Possible future improvements

suggestions for overcoming obstacles

- Initiative, flexibility to change and think globally
- Look for support (including financial) at high level (need for legal changes)
- Persist if you think you are right

Thank you