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Data Hub – Some Comments from Brazil

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The objective of this note is to contribute, with some considerations, on how a high frequency real sector indicators dissemination procedure may be established. It should encompass a timely data base compilation that allows for a fast evaluation of economic movements in different countries.

Initially, four basic questions should be considered:

- I. What?
- II. To whom?
- III. By whom?
- IV. How?

The answer to the first question will be given by a template, to be proposed, that is beyond the scope of this note.

The second, third and fourth questions address key points in defining an efficient process for data transmission, collection and dissemination.

Initially, one should know that this process implementation will imply an additional demand of information on the countries. And there is already a huge demand of information by different international organizations.

This demand comes from the International Monetary Fund – for short term information from the SDDS affiliates, for example – and also comes from the United Nations, the OECD, the ECLAC, among others, for longer term information. Additionally, there are demands for special tabulations from a wide audience of data users.

This would not be a problem to data producers if demands followed the same standard. However, each demand is specific on the activities aggregation level, on the valuation level or on other variable detailing. The demands are also specific regarding the data transmission form. This way, informants have an additional work load in preparing data according to the requested specifications.

The demand for high frequency indicators information will be one more request added to those already made. Therefore, it is important to consider how to provide the countries with a simple and efficient form of data transmission that do not add an extra burden to their work routine. Not addressing this issue would probably lead to a lack of good will or to a sloppy transmission of low quality information.

TO WHOM.

For all countries, it must be clear to whom they should transmit the data. It is necessary to establish a coordination that can be a reference in sorting out the different questions that will be brought about by the countries. A “central data hub” or an “international data hub” should be clearly established.

BY WHOM.

As it is not possible to immediately unify the data transmission to the different users – international organizations or private institutions –, the suggestion is to organize the data transmission and collection in a way that, for each country, a “local data hub” or a “national data hub” coordinator is defined. This local or national data hub would be responsible for the data transmission and collection within each country.

This local data hub’s organization would be established according to each country characteristics. The institution – or institutions – responsible for real sector data production is not necessarily the same in each country. In Latin America, for example, depending on the country, GDP data are estimated at the statistical institute or at the central bank.

The local organization work would have to be done in coordination with the definitions and the organization of the one receiving the data.

HOW.

The development of a data transference system that improves the tasks and routines related to the information transmission is fundamental for the project success.

The suggestion is the complete development of a unified web based system, with a template to be filled.

This data hub development proposal could be seen, very schematically, according to the following steps:

1. Definition of a wide template with the desired information (at this point, still restricted to the real sector. Explanations regarding the variables must be provided - methodological notes along with the variable definitions are essential).
2. Definition of a deadline for the data collection according to a useful timeline.
3. Consultation with the countries regarding the data availability and the possibility of compliance with the deadlines.
4. Definition of the “Central data hub” structure (collection, organization, indicators dissemination and country support)
5. Definition at each country of it’s data transmission structure – the “local data hub”.
6. Definition of the information transmission, collection and dissemination systems.
7. Making the system operational among the different countries.
8. Routine. The routine should not account just for data transmission and collection, but should encompass the data base continuous expansion.

An experience to be analyzed is IMF’s SDDS data system implementation with the signatory countries. It must be noted that, for these countries, all short-term data are already sent to IMF on their release dates.

The SDDS was developed with the same objective: to provide timely and opportune information for country performance evaluation, complying with the DQAF quality standards.

When the SDDS was implemented, a template was defined – covering the demanded variables, quality and metadata information. It is important to point out in this process that the SDDS implementation had the support of IMF's technical missions in each country. IMF's technicians worked together with local technicians to develop the system basic blocs (variables, methodology, resources, institutional boundaries, etc.).

The presence of a support mission was fundamental to the SDDS efficient implementation.

Since there is no provision for this type of support in the current project, all the expected developments – template, metadata, transmission and collection systems and dissemination – must be designed considering this limitation. On the other hand, for the variables currently included in the SDDS, metadata are already available.