



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA



**62nd ISI WORLD
STATISTICS
CONGRESS 2019**

18 – 23 August 2019, Kuala Lumpur

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STS 523

Harnessing the Value of Administrative Data: A Central Bank's Experience

Shazura Zainol Abidin
Bank Negara Malaysia
22 August 2019, 2.00 pm – 3.40 pm

Agenda

No	Agenda
1	Overview of Administrative Data
2	Compilation of Administrative Data at the Bank
3	Benefits, Challenges and Moving Forward

Overview of Administrative Data

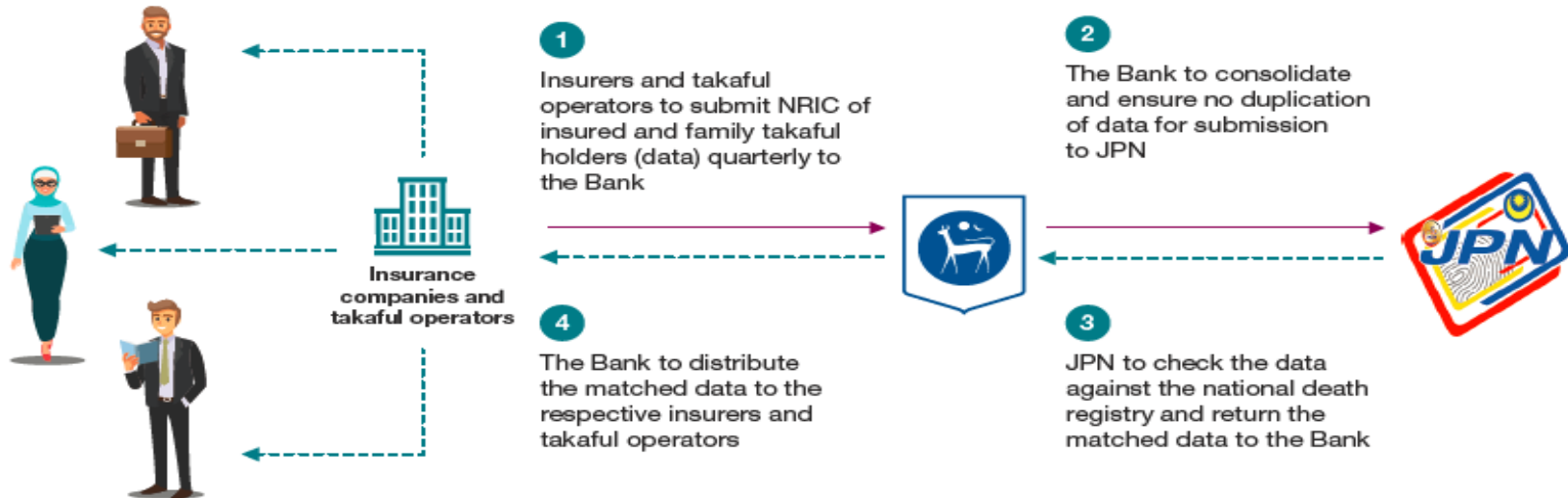
Definition	Data collected by government bodies or other organisations in their day-to-day operations, where the data collection is not primarily meant for statistical purposes.
Advantages	<ul style="list-style-type: none">• Alternative or complementary source• Lessen the reporting burden• Reduce compilation cost• Improve timeliness• Maximise usage and coverage• Increase data transparency
Initiatives by the Bank	<ul style="list-style-type: none">• Data checking arrangement with National Registration Department (NRD)• Property data from National Property Information Centre (NAPIC)

The Bank is pursuing to obtain administrative data from various government agencies/institutions as an alternative source to complement the structured data being compiled by the Bank.

Administrative Data from NRD... death claim process

Objectives • Enhance the claim process for payment of death-related benefits

Beneficiaries of policy
and certificate holders



Benefits for Death Claim Process



Improve claims process

Claim process for death related benefits could be triggered and expedited by both reporting entities and policy/certificate holders



Pro-actively reach out to the beneficiaries

Enable reporting entities to pro-actively reach out to the beneficiaries, who are unaware of the insurance policy/takaful certificate of deceased holders



Inheritance in good hands

Ensure the inheritance are in good hands and will be distributed to the rightful beneficiaries upon death



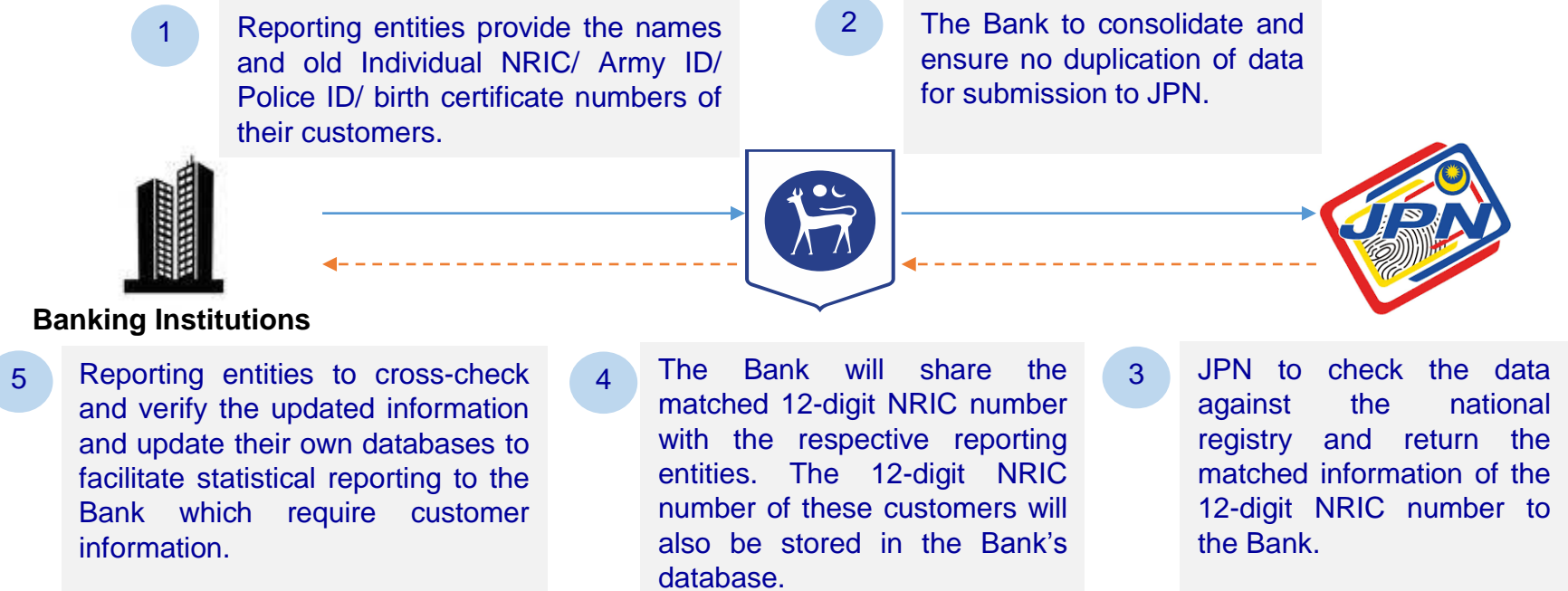
Trustworthiness

Improve the confidence of policy/certificate holders on the trustworthiness of insurance and takaful industry in Malaysia

Administrative Data from NRD... unique identification of individuals

Objective

Facilitate reporting entities to obtain the 12-digit NRIC number of customer of reporting entities from JPN, which aims to establish unique identification of individuals across reporting entities and the Bank's database.



Benefits of Unique Identification of Individuals

Facilitate accurate and consistent reporting of individual profiles of the customers in reporting entities' statistical reporting submitted to the Bank, which supports the following:



Unique individual profiles to assist the reporting entities in making informed and responsible lending decisions in a timely manner.



Facilitate the assessment on the level of financial inclusion in Malaysia.



Unique individual exposure in relation to statistical reporting.

Administrative Data... property

Objective

- To support analysis and policy related to property

Benefits

- Understanding on the behaviour of the property market to gauge where the demand lies, particularly by the property location and type.
- Facilitate policy formulation for a balanced property supply and demand.
- Improve internal analysis and publication.

industry

- **Advice the government on property development** in the country

Type of data from NAPIC:

- Property transaction by state
- Price range and sub-sector
- Newly launch residential
- Overhang property by type and state

Administrative Data... benefits, challenges & moving forward

Benefits

- Foster **cost-effectiveness** and **reduce reporting burden** of the industry since data are already collected routinely for administrative purposes
- Increase the level of **trust and confidence** in the safety and soundness of the insurance and takaful industry.
- Improve the quality of industry **credit assessment** and risk modelling through timely and informed lending decisions.
- Facilitate accurate **assessment on financial inclusion** level in Malaysia, which enables implementation of focused strategies.
- Allow policy formulation for a balanced property supply and demand as well as promoting affordable housing.

Challenges



Institutions are governed by respective legal and institutional frameworks



Confidentiality, access control and security



Investment in technology

Moving forward...

Envisages broader needs and demand for the usage of administrative data with **greater collaboration** among the organisations.



THANK YOU