



# AnaCredit and the SMEs financing Scoreboard: the Luxembourg experience

13/10/2024

Séminaire Economique STATEC, Luxembourg

Cesare A. F. Riillo, PhD (STATEC Research)

Sacha Gobbo (Banque Centrale du Luxembourg)

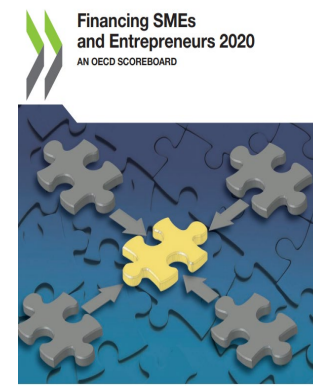
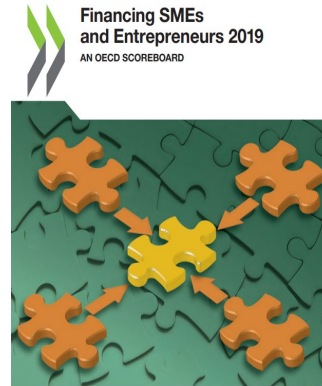
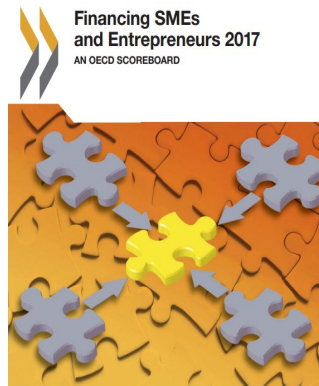
**STATEC**  
RESEARCH

  
BANQUE CENTRALE DU LUXEMBOURG  
EUROSYSTEM

# Objective:

## Pilot study SMEs financing in Luxembourg in 2023:

- Compile AnaCredit data for Scoreboard
- Compare AnaCredit and Interest Rate Statistics (IRS)



# Current Data Source

## Interest Rate Statistics (IRS)

- European Central Bank (ECB) statistics for monetary policy
- Interest rates that banks charge or pay on loans and deposits
- IRS data is usually informs the OECD Scoreboard

## Main limitations:

- **SME Definition: Based on loan size (< EUR 1 million), not on firm size**
- **Geographical Origin: No loans from Euro area to Luxembourg SMEs**

# Geographical origin of lenders and borrowers

Residence of lending monetary financial institutions (MFIs)	Luxembourg
	Euro area

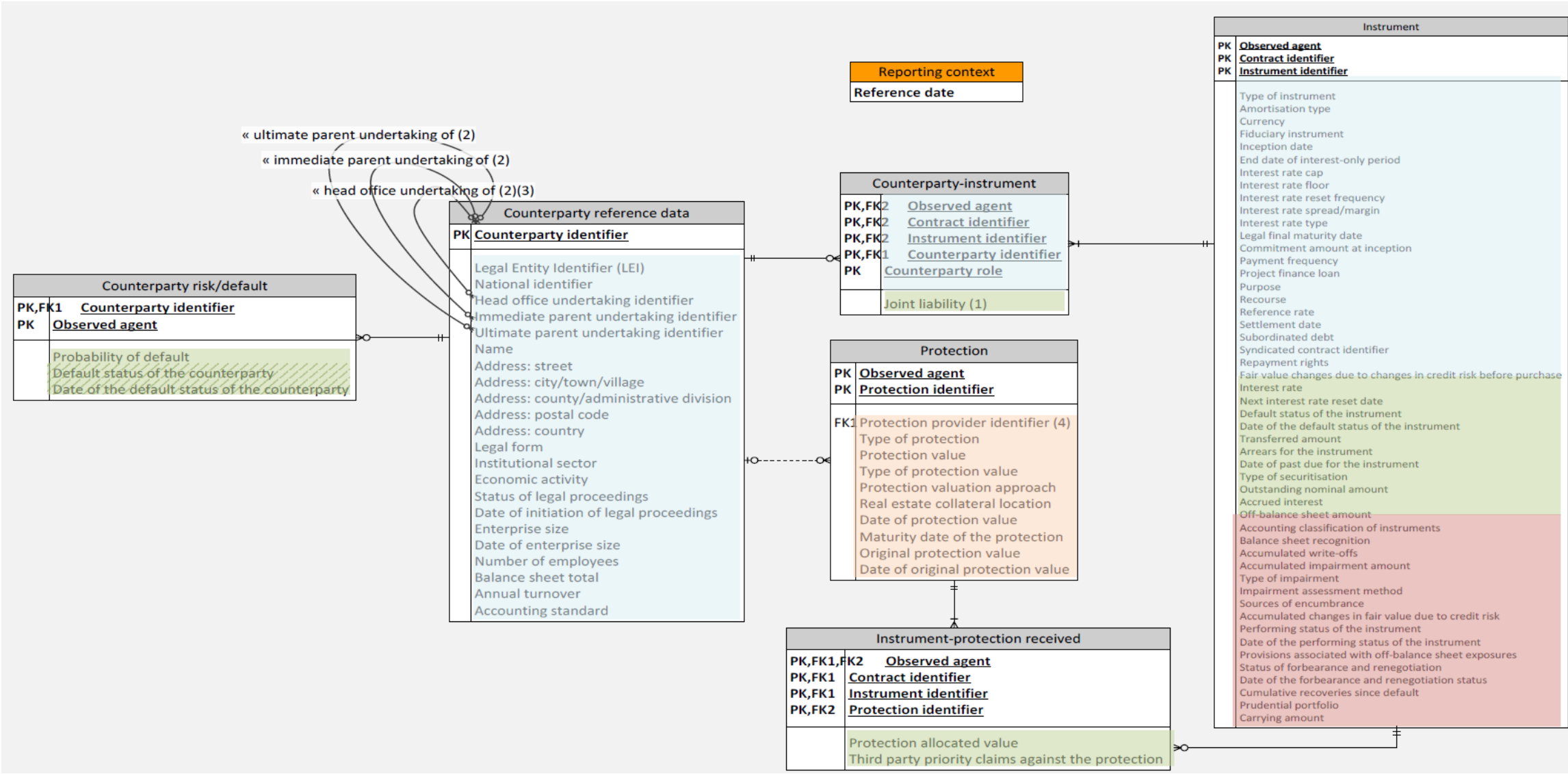
IRS = Interest Rate Statistics; Specific figures for Euro Area MFIs and Luxembourg NFCs are not reported because out of the scope of this study.

# AnaCredit Overview

## What is AnaCredit?

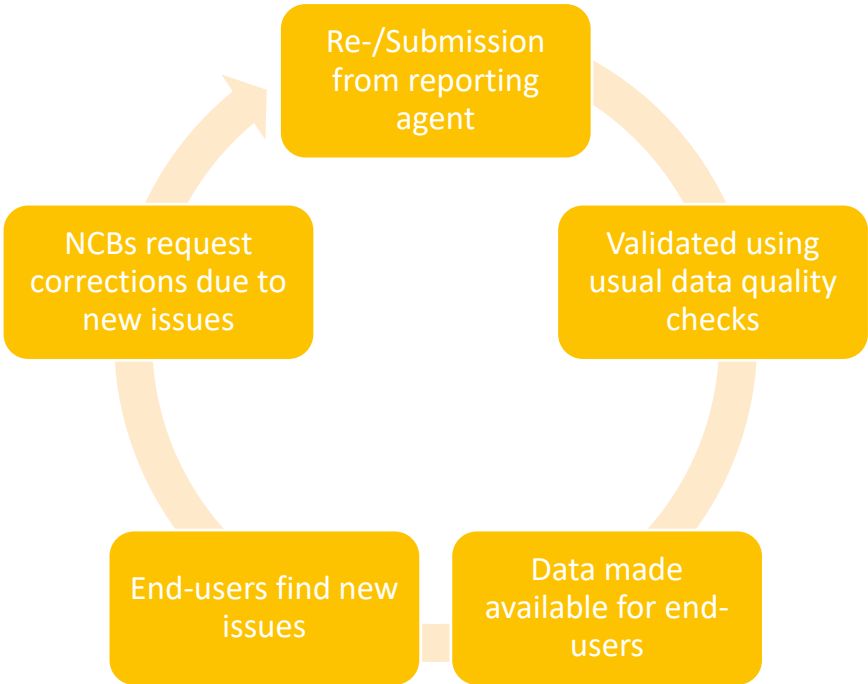
- ECB analytical credit dataset
- Since September 2018, granular data on loan-level on individual banks loans are collected
- 102 variables collected on each loan

# AnaCredit Overview



# AnaCredit Overview

Submissions			
Item	Average per month		2018 up to 2022 June
Number of Observed agents	180		/
Monthly Templates without resubmissions	540		28'080
Quarterly templates without resubmissions	180		3'240
Counterparties	46'500		2'418'000
Instruments	115'000		5'980'000
Protections	172'000		8'944'000
Resubmissions			
Year (all templates)	Average resubmissions per bank	Average per reference period	Sum over the year
2019	1.81	1'090	13'088
2020	1.49	894	10'737
2021	1.26	754	9'050
January 2022 - June 2022	0.70	420	2'525



# AnaCredit Overview

## Main advantages:

- **Geographical Coverage: cross-border lending within the Euro Area**
- **SME Identification:**
  - **Number of employees (micro, small and medium)**
  - **Financial data (balance sheet and turnover)**
  - **Economic activities (NACE)**
  - **Subnational**



# AnaCredit Overview

## Main Limitations:

- **Threshold: Reporting of loans below EUR 25,000 is not mandatory**
- **Time Coverage: available 2018 onward (quality enhancement in 2021)**
- **Gender: No information on the gender of the principal owner**
- **Granular data: not publically available**

# AnaCredit Implementation: New loans in Luxembourg

## Main features:

- Cross-board lending: Euro Area MFIs reporting new SMEs loans to Luxembourg-resident NFCs.
- Eurostat SME Definition: < 250 employees and either turnover  $\leq$  EUR 50 million or a balance sheet total < EUR 43 million.

## More technical details

- Quarterly data are annually aggregated
- Fiduciary and intracompany loans are excluded to prevent double-counting
- Excluding missing observations (4.7%)

# New SMEs loans in Luxembourg

Luxembourg's SMEs received EUR 13 957 million in new business loans.

- 77% from Luxembourg' MFIs
- 23% from other Euro Area MFIs

Luxembourg MFIs provided EUR 32,135 million in new loans to Euro Area SMEs, 75% of their total SME loans. -Total cross-border lending was 14 % in EU (ECB,2024)-

New business lending to Luxembourg-based SMEs by geographical origin

Amount (EUR million)		Residence of SMEs			Percentage (conditional)
		Luxembourg	Euro Area	Total	
Residence of lending MFIs	Luxembourg	EUR 10 769	EUR 32 135	EUR 42 904	77%
	Euro area	EUR 3 188	Out of the scope		23%
	Total	EUR 13 957			
	Percentage (conditional)	25%	75%		100%

Note: Millions euro

# Amounts of New lending by Firm Size and Loan Size in Luxembourg

**SMEs receive 30% of all new loans (EUR 13 957 million out of EUR 46 802 million)**

- 69% of new loans for SMEs are above EUR 1 million
- 43% of new loans for large firms are above EUR 1 million

*Amounts of New lending by Firm Size and Loan Size in Luxembourg*

Amount (EUR)		Loan size		
		< EUR 1 Million	>= EUR 1 Million	Total
Firm size	SMEs	4 306	9 651	13 957
		[9%]	[21%]	[30%]
		(31%)	(69%)	(100%)
	Large	18 566	14 280	32 845
		[40%]	[31%]	[70%]
		(57%)	(43%)	(100%)
	Total	22 871	23 931	46 802
		(49%)	(51%)	(100%)

Source: AnaCredit 2023, Note: Figures in mi.€ Joint and marginal proportions displayed in square brackets, and conditional proportions indicated in round parentheses

Restricted Use - À usage restreint

# Interest rate of New lending by Firm Size and Loan Size in Luxembourg

The cost of financing is higher for SMEs, regardless of loan size.

- The average interest rate for SMEs is 6.13% (4.10% for large enterprises)

Large loans cost approximately 1 pp less than small loans

- SMEs (6.01% vs 6.92%)
- Large firms (4.09% vs 5.01%)

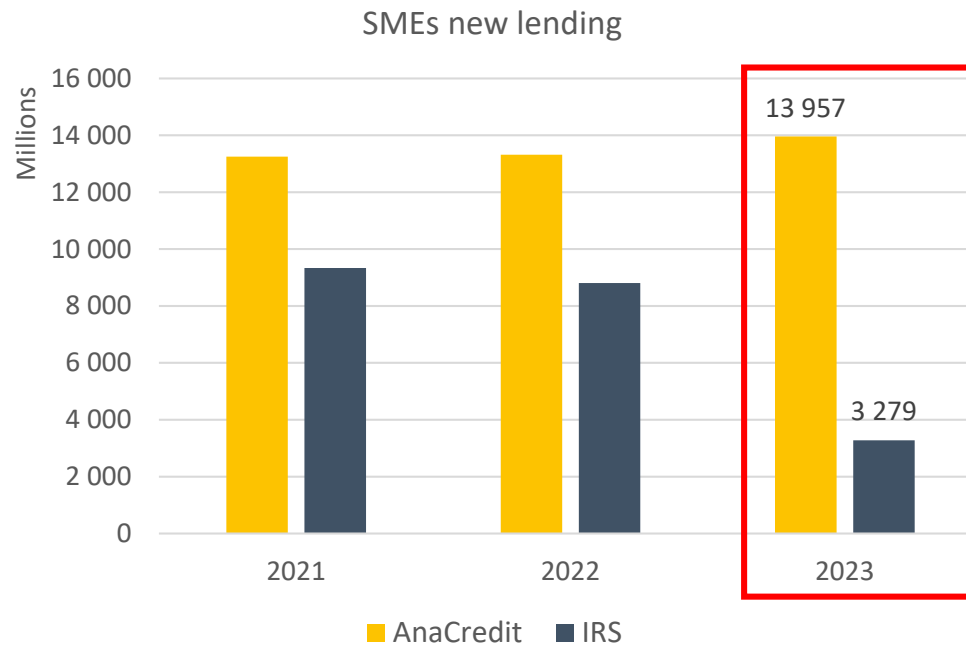
*Interest rate of New lending by Firm Size and Loan Size in Luxembourg*

Interest rate (p.p.)		Amount of loan		
		< EUR 1 Million	>=EUR 1 Million	Total
Eurostat definition	SMEs	6.92%	6.01%	6.13%
	Large	5.01%	4.09%	4.10%
	Total	6.70%	4.85%	4.96%

# AnaCredit vs IRS: Amount New SME lending

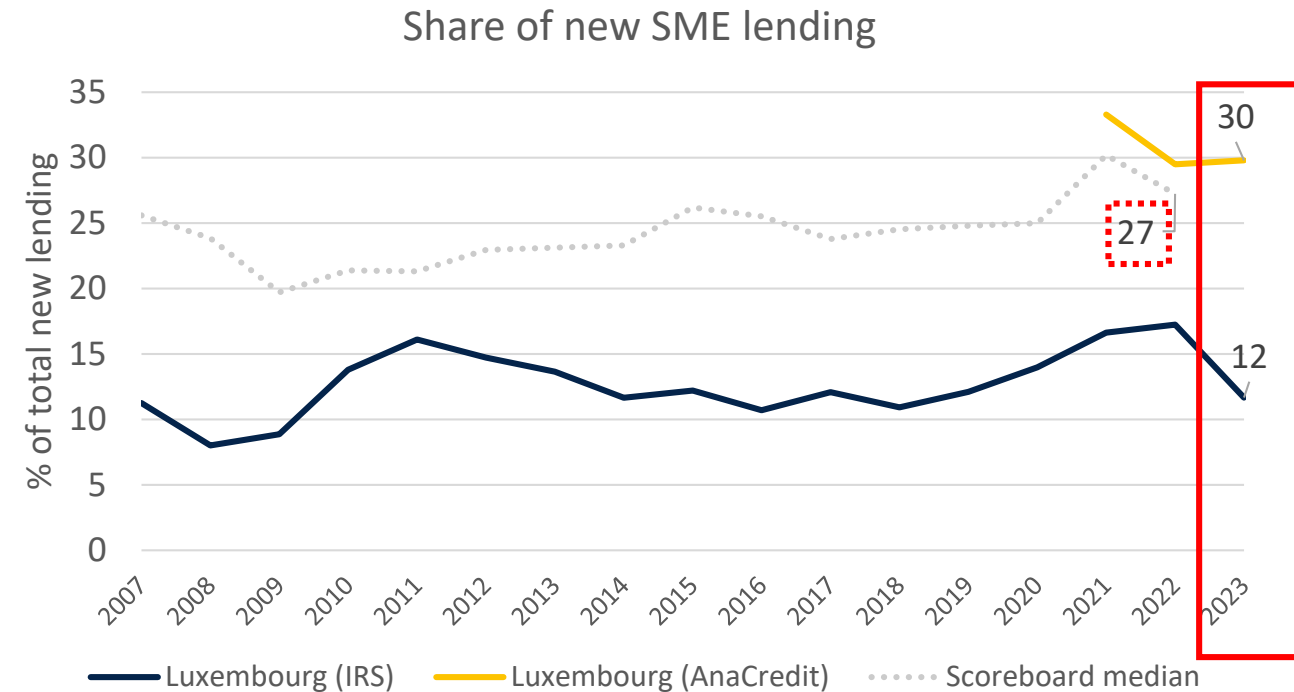
AnaCredit shows higher new SME lending values than IRS

EUR 13 957 mil. vs EUR 3 279 mil., in 2023



AnaCredit shows a higher share of new SME lending

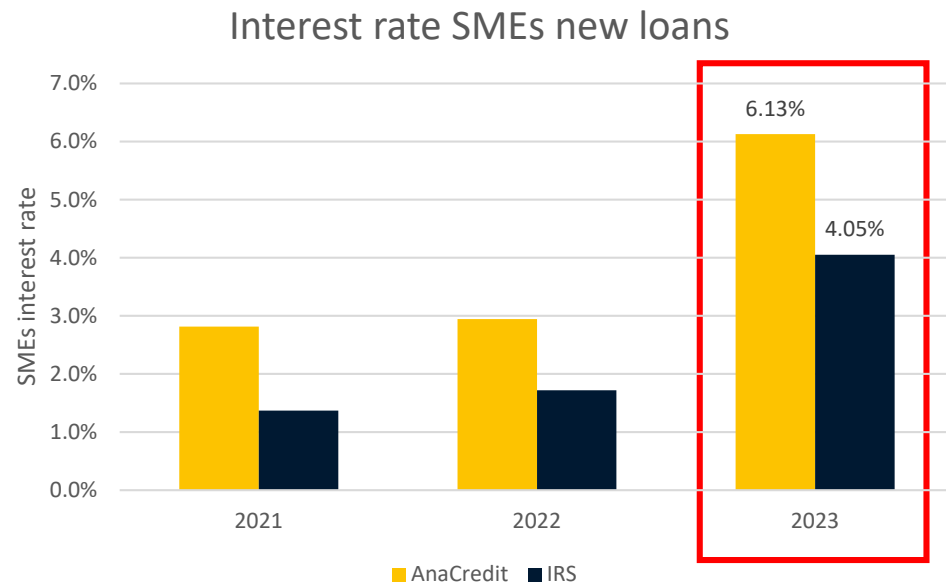
- 30% vs 12%, in 2023
- AnaCredit is closer to Scoreboard median (27% in 2022)



# AnaCredit vs IRS Interest: New SME lending

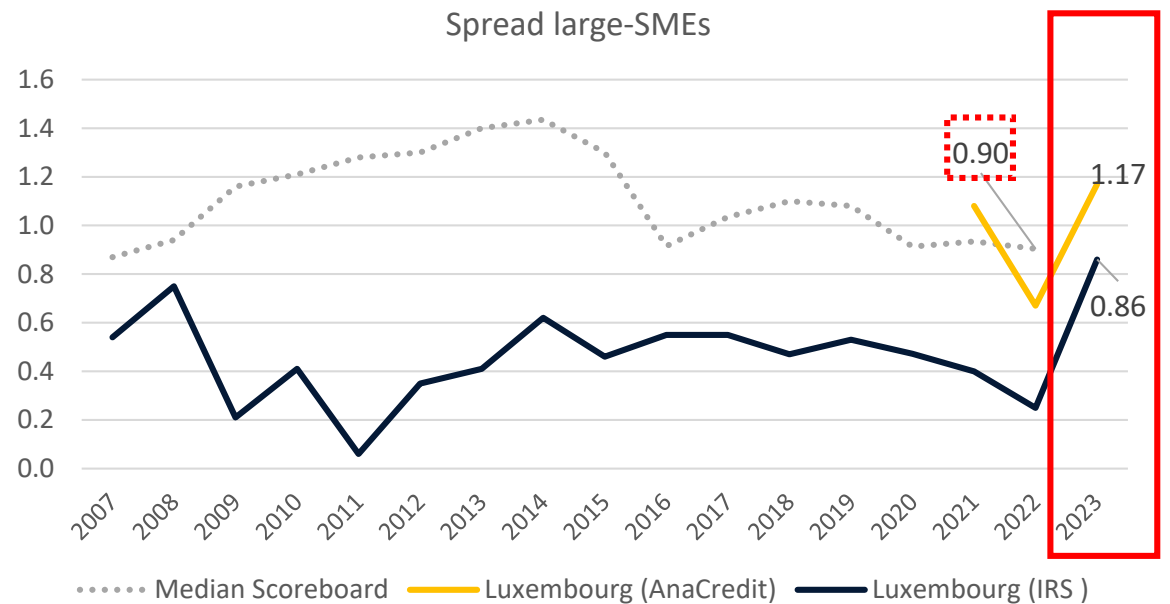
## AnaCredit reports higher interest rates for new SME lending than IRS

- 6.13 p.p. Vs 4.05, in 2023



## AnaCredit shows a larger spread large-SMEs

- 1.17 p.p. vs. 0.86 in 2023
- AnaCredit closer to the 2022 Scoreboard median (0.90)



# Main takeaways:

AnaCredit enhances accuracy of monitoring SMEs financing.

- Considerable SMEs cross-border lending
- SMEs borrowing large loans (<above 1 mil.)

## Key advantages:

- Size of the firm rather than Loan size
- Better coverage of reporting institutions (Euro area versus Luxembourg only).
- More granularity: size, industry, subnational, etc.

## Challenges / Food for thoughts

- AnaCredit is a major break in the series
- Critical role of data access and quality
- Need of OECD common guidelines to ensure accurate cross-country and time comparisons.
- Centralized data processing (?)



# STATEC

Institut national de la statistique  
et des études économiques

## Thank you! / Merci !



13, rue Erasme  
L-1468 Luxembourg



(+352) 247-84219



info@statec.etat.lu

Cesare.Riillo@statec.etat.lu

statistiques.public.lu



@Statec  
Luxembourg



/STATEC

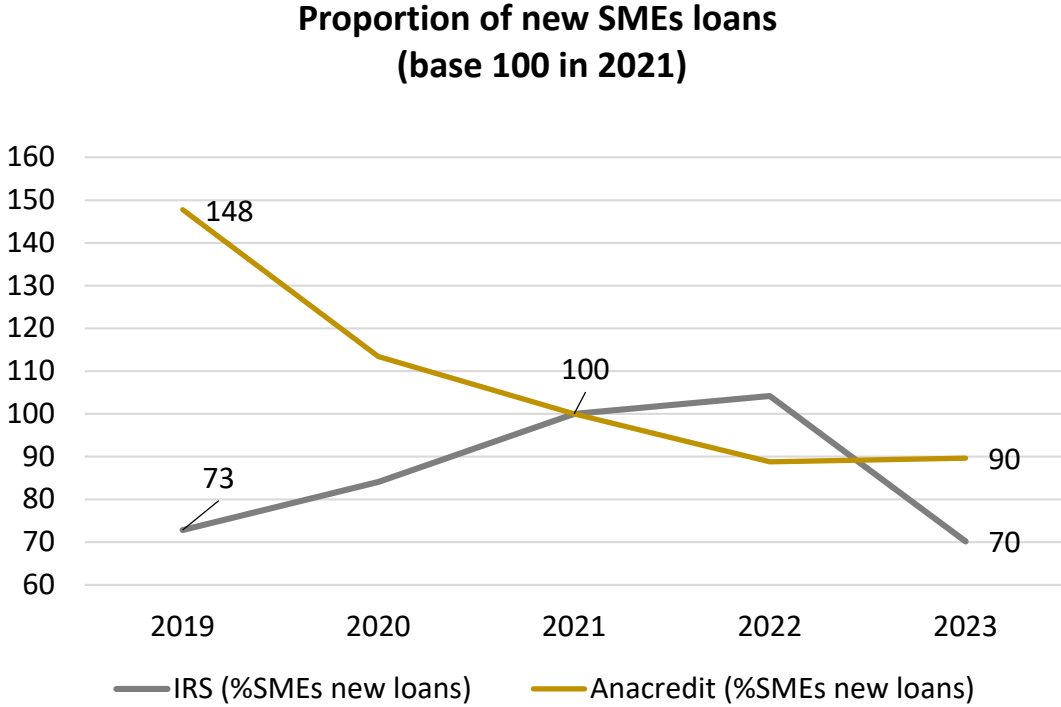
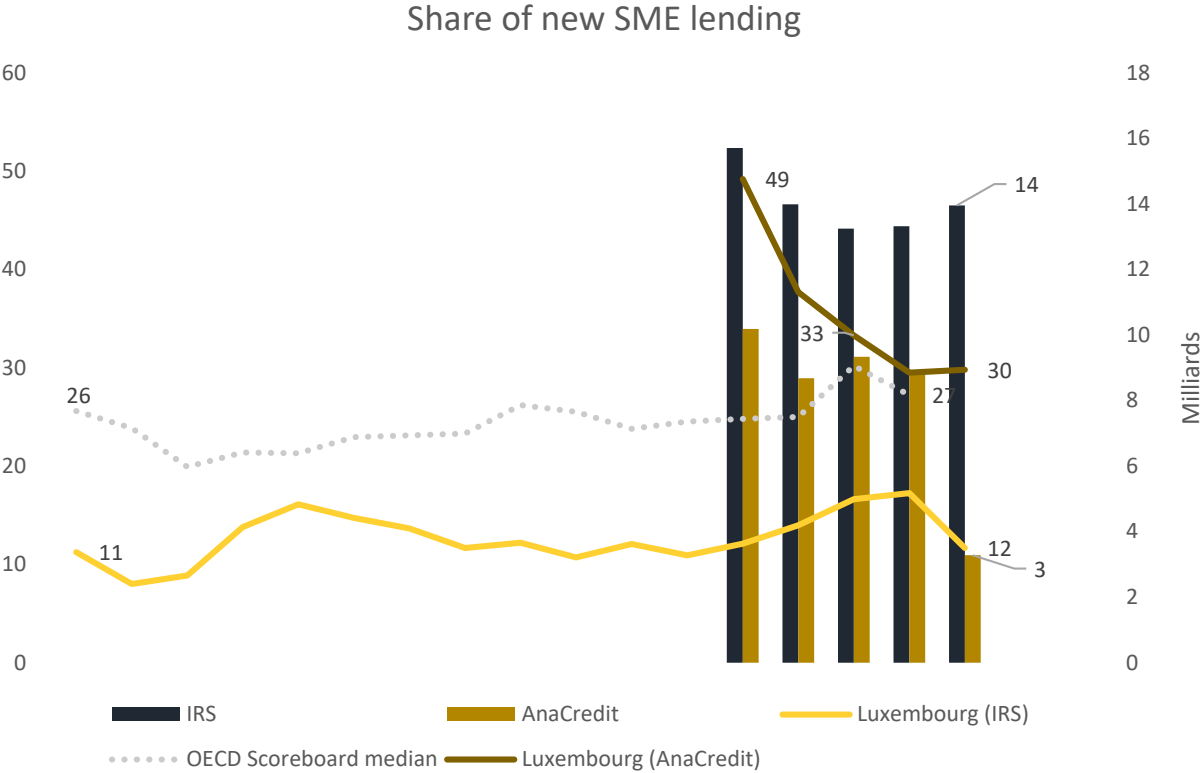


@STATEC



Statec  
Luxembourg

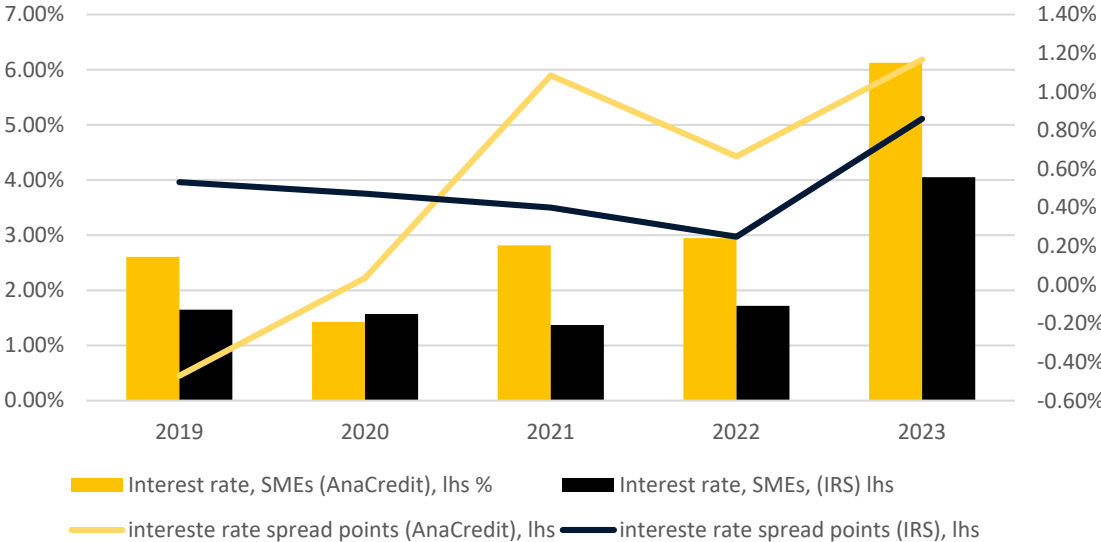
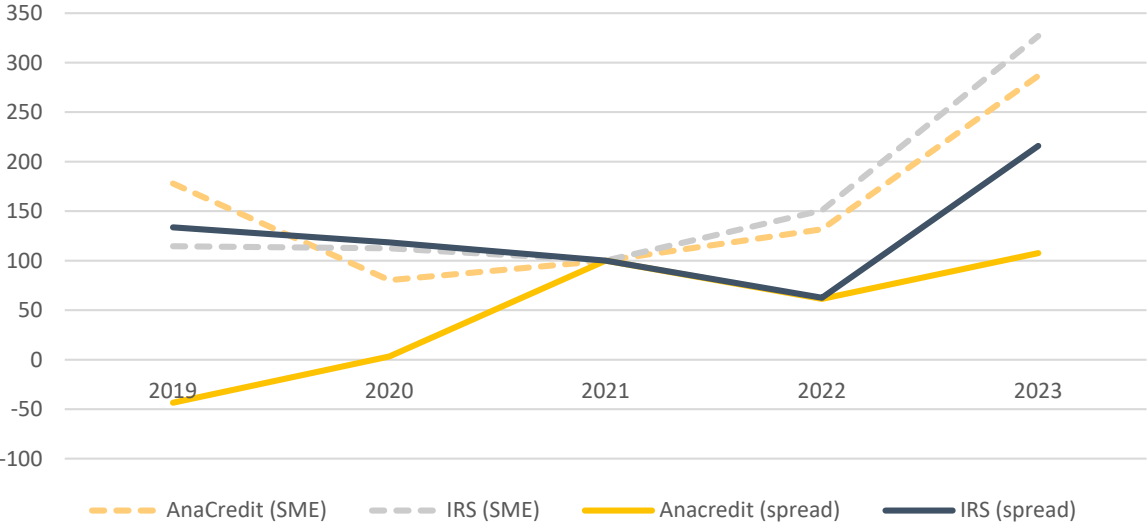
# Annex: Share of new SME lending (2019-2023)



Source: [Financing SMEs and Entrepreneurs: An OECD Scoreboard](#).

# Share of new SME lending (AnaCredit)

Evolution interest rate new loans (base 100 in 2021)



Source: [Financing SMEs and Entrepreneurs: An OECD Scoreboard](#).