

**Economic and Social Council**

Distr.: General

Original: English
17 October 2013

Original: English

Economic Commission for Europe**Conference of European Statisticians****Group of Experts on Business Registers****Thirteenth session**

Geneva, 2-4 September 2013

Report**Note by the secretariat***Summary*

The present document is the report of the meeting of the Group of Experts on Business Registers on 2-4 September 2013 and is provided to inform the Conference of European Statisticians of the organization and outcomes of the meeting.

The Conference of European Statisticians, at its plenary session in June 2013, approved the UNECE Statistical Programme for 2013 (Report of the Conference of European Statisticians, Sixty-first plenary session, Geneva, 10-12 June 2013; document ECE/CES/85, para. 71). The Statistical Programme for 2013 includes the list of meetings planned from June 2013 onwards. The list includes a meeting of the Group of Experts on Business Registers to be held in Geneva on 2-4 September 2013 (document ECE/CES/2013/14, Annex I, para. 6).

I. Introduction

1. The thirteenth meeting of the Group of Experts on Business Registers was held in Geneva from 2-4 September 2013. It was organised in cooperation with the Commission of the European Communities (Eurostat) and the Organisation for Economic Co-operation and Development (OECD), and with the support of United Nations Statistics Division and the European Free Trade Association (EFTA).

2. The meeting was attended by Algeria, Armenia, Australia, Austria, Azerbaijan, Belarus, Bosnia and Herzegovina, Canada, China, Columbia, Costa Rica, Denmark, Dominican Republic, Egypt, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Jordan, Kazakhstan, Kyrgyzstan, Kosovo, Latvia, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Malaysia, Mexico, Moldova, Mongolia, Morocco, Netherlands, Poland, Republic of Korea, Republic of Moldova, Russian Federation, Serbia, Slovakia, Slovenia, Spain, State of Palestine, Switzerland, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, United Kingdom, United States of America, Uzbekistan and Zambia. The meeting was attended by representatives of Eurostat, OECD, Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT), European Central Bank (ECB), International Trade Centre (ITC) and UNSD.

3. Ms. Anita Vaasen-Otten (Netherlands) chaired the meeting. Ms. Shirin Anne Ahmed (United States), Mr. Jamie Brunet (Canada) and Ms. Mariarosa Lunati (OECD) acted as discussants of the substantial sessions. Mr. Norbert Rainer (Austria) chaired the session on the draft chapters of the Guidelines on Statistical Business Registers.

II. Organization of the Meeting

4. The meeting was divided into the following sessions:

- a) Statistical business registers in developing and transition economies;
- b) Economic globalisation and statistical business registers;
- c) Quality of the statistical business register;
- d) The role of the statistical business register in the modernisation of statistical production and services;
- e) Draft chapters of Guidelines on Statistical Business Registers;
- f) Future work.

5. The first session, on 2 September, was organised as a special session on work on business registers in developing and transition economies. The following sessions, on 3-4 September, were organised to discuss a number of substantive topics, on the basis of papers and presentations by experts from national statistical offices and international organisations.

III. Summary of discussion and the main conclusions reached at the meeting

6. Recommendations for future work are given below. The main outcome and conclusions reached during the sessions are presented in the annex (in English only). The proceedings of the meeting are available on the UNECE website www.unece.org/stats/documents/2013.09.busreg.html.

IV. Recommended future work

7. The following topics were proposed for discussion at the joint meeting of the Group of Experts on Business Registers, to take place in 2015:

- a) SBR and Big Data;
- b) Frame methodology and practices (including profiling);
- c) SBR and other statistical registers;
- d) Data warehouse and SBR;
- e) The outputs of the SRB (visualization, spatial information, SBR apps);
- f) Production processes (modernization, use of GSBPM, GSIM, others);
- g) Global identifier.

8. In addition to these topics, the meeting may also follow up on issues emanating from the Wiesbaden Group meeting in September 2014. Organisation of a special session for developing and transition economies should also be considered, subject to the availability of resources.

Annex

Summary of the discussion

A. Statistical business registers in developing and transition economies

1. The special session on business registers in developing and transition economies was organised by UNECE and the European Free Trade Association (EFTA), with the support of the United Nations Statistical Division (UNSD) and Eurostat. The session was organised to identify common challenges and good practices in establishing and maintaining statistical business registers.

2. UNSD presented the preliminary results of the global survey on SBR conducted by UNSD. 116 replied to the survey, 39 from developed and 77 from developing or transition economies. The survey has produced a substantial amount of information on current practices and challenges. UNSD expects to finalize its report on the global survey by the end of 2013. Some of the findings reported were the following:

a) More than 80% of the responding economies cover almost all of the 21 sectors of the ISIC classification in their business register. The survey, however, could not reveal what the coverage of the target population is in terms of number of enterprises per ISIC sector;

b) Most economies use at least 3 or 4 different statistical units in their business register. It seemed that there may be a misunderstanding among countries on what the difference is between an establishment and a local unit;

c) OECD member countries tend to use administrative sources (e.g., tax registers or social security registers) much more than non-OECD countries;

d) As a general reflection on the survey, it would be desirable if the Guidelines on Statistical Business Register would state the minimum requirements for a list of enterprises to be called a statistical business register.

3. UNSD expects to finalize its report on the global survey by the end of 2013.

4. The following countries provided presentations: Azerbaijan, Costa Rica, Dominican Republic, Egypt, Georgia, Malaysia, Mongolia, Russian Federation, Tunisia and Ukraine. The presentations highlighted a number of challenges, including the following:

a) Maintaining the quality of the SBR is a major concern in many countries. Lack of suitable data sources of suitable quality, or lack of access to such sources, is often an important restriction for improving the quality of the SBR. The quality of the SBR is also related to timely update of the information of the register. Some countries experience problems with proper updating of the characteristics of the units in the SBR or with a large number of inactive units;

b) The unobserved/informal sector plays an important role in many countries, and the coverage of this sector poses particular problems. Better coverage of the unobserved/informal sector was therefore mentioned as a main priority by several countries. The problem is related to the fact that many countries experience difficulties in identifying, establishing and maintaining contacts with small, often unincorporated enterprises.

c) Some countries have access to administrative data sources, while other countries reported that they have problems getting access to administrative sources (tax registers, for example). Even when the national statistical law provides access to

administrative sources for statistical purposes, the statistical office is not always able to get access, for institutional, administrative or other reasons. Several countries expressed interest in utilizing administrative sources to improve the quality of the SBR, increase efficiency and, when possible, reduce response burden;

d) While a national unique identifier of legal units or establishments provides numerous advantages for the establishment and maintenance of the SBR, not all countries have implemented a system with a national identification code;

e) The maintenance and quality control of the SBR is in some countries carried out mainly by manual procedures. This is both resource and time demanding and creates an additional source of errors. The move to more automatized solutions is therefore a priority in a number of countries.

5. The Federal Statistical Office of Switzerland provided a presentation of the Swiss Statistical Business Register. The presentation focused on explaining the maintenance strategy and the use of the SBR as a frame for survey statistics.

B. Economic globalisation and statistical business registers

Discussant: Shirin Anne Ahmed, United States

6. This session covered five papers, which focussed on how best to structure and measure the economic activity of enterprises that operate globally. The aim is to construct a set of consistent, standard and coherent registers across countries, in order to improve the quality of statistics at both the national and international levels.

7. The papers presented by Eurostat, France, Germany, Austria and the United Nations discussed a complementary set of topics related to globalization and statistical business registers, as follows:

a) Eurostat proposed a framework for a system of interoperable statistical business registers among EU and EFTA countries. This “system” of registers would work with an underlying set of common definitions, principles and identification standards to ensure cohesiveness and comparability across enterprises. The results would mean increased efficiency for statistical agencies through seamlessly available and up-to-date information about global enterprises;

b) The profiling of large global enterprises, which has been a European ESSnet project coordinated by INSEE for the past three years, has resulted in proposals for new definitions for structuring enterprises at the national and EU levels. In researching approaches to profiling, a “top-down” approach appears to produce the best results for capturing total enterprise activity for multinational enterprises. Using a top-down approach gives a single, coherent and complete view of multinational enterprise groups. The existence of the central Economic Groups Register for these global enterprises requires enhanced cooperation within and between National Statistical Institutes, and is critical for the framework of interoperable statistical business registers;

c) Changing the definitions of enterprises across National Statistical Offices will be challenging. National Offices will have to think about the impact of the proposed new definitions on the measurement work they do and how to implement the new concepts in the practical work of generating statistics;

d) UNSD conducted a global survey of existing business register practices (such as industry assignment, concepts and means of updating information) across National Statistical Offices, which addressed questions about the similarity of existing registers. Results of the survey will help inform planning on the transition to a system of interoperable business registers. A comparison of OECD and non-OECD countries provided information about the number and nature of countries with business registers, their

main problem areas and a look at regional differences. This work will assist planners to identify where standards can be set easily across countries and to determine the changes needed for countries to move to common concepts and standards;

e) The Austrian presentation reported on some results of an inventory undertaken within the “ESSnet on Consistency” on the use of statistical business registers for the production of European business statistics. Central issues of the inventory were how survey frames are provided by the statistical business registers for different statistical domains. Results will help to identify issues that need to be improved to achieve greater horizontal and vertical consistency.

8. In general, these papers pointed to major shifts in the way statisticians need to use, maintain and update business registers. These shifts in thinking will require investment costs, adjustments to national laws and redefinition of national statistics in the EU. The coherence of global, EU and national statistics will depend on operationalizing common concepts, establishing priorities, educating actors and providing meaningful measures of improved progress and quality.

C. Quality of the statistical business register

Discussant: Jamie Brunet, Canada

9. The second session consisted of presentations providing perspectives on quality practices and quality issues from the US Bureau of Labour Statistics, the Federal Statistics Office of Switzerland, National Statistics Administrative Department of Columbia, the US Census Bureau, the European Central Bank and the National Statistical Committee of Belarus. General observations and conclusions are as follows:

a) The need to assure all of the various aspects of quality, including relevance, accuracy, timeliness and coherence is well recognized, and similar approaches are taken (although quality frameworks can vary);

b) Strong communication, governance and data-sharing regimes with SBR users and source-data providers (administrative sources) are essential for delivering a quality register and for resolving quality issues;

c) Countries are pursuing the development and usage of rigorous quality measurement systems and producing similar metrics relating to frame errors and coverage;

d) Sharing information and discussing quality practices in international forums needs to continue and feed into the development of standardized methods and quality metrics to support the on-going pursuit of internationally coherent registers and statistics. Going forward, the presentations and discussions on quality will provide useful insights for the preparation of the international guidelines.

D. The role of business registers in industrializing the production of statistics

Discussant: Mariarosa Lunati, OECD

10. Session three addressed the key issue of the role of SBR in the modernisation of statistical production and services. The first three presentations relayed country experiences and challenges in modernising statistical production (Australia, China and Finland), the fourth presentation discussed the mapping of business register processes to the Generic Statistical Business Process Model (GSBPM) and the relationship between “big data” and business registers (UNECE) and the final presentation outlined the efforts of developing

statistics that take into account the globalisation of the economy and improving the consistency of business statistics across countries (Eurostat).

11. Questions to the presenters provided an opportunity to clarify two topics: (1) the definition, role and future of big data and (2) how to ensure successful implementation of new systems of data collection that rely on cross-country cooperation. The discussions highlighted the following points:

a) Modernisation plans for business registers vary considerably amongst countries, ranging from comprehensive and ambitious projects, which involve a complete reengineering of the entire business statistical system, to approaches based on small, incremental changes. Depending on the availability of resources and the institutional context, a variety of solutions to achieve modernisation could be viable. It is important, however, to have an infrastructure flexible enough to adapt to new demands from users;

b) Some emerging countries face formidable challenges to modernising business registers, because the rapid development of the economy causes many units to change quickly. Keeping business registers continually updated and ensuring accuracy is particularly complex in these countries;

c) Modernisation requires cooperation of statistical offices within and, most importantly, across countries. The development of standards and shared tools is crucial for this purpose.

E. Draft chapters of Guidelines on Statistical Business Registers

Session chair: Norbert Rainer, Austria

12. The Bureau of the Conference of European Statisticians (CES), in November 2011, established a Task Force on Statistical Business Registers (TFSBR). The objective of the Task Force is to produce a set of international guidelines and recommendations of good practices on SBR to help countries develop and maintain their SBR. The guidelines should:

- a) Be targeted at both developed and less developed statistical systems;
- b) Take into account existing materials (including the Eurostat Business Registers – Recommendations Manual);
- c) Address issues raised by the High Level Group for Modernising Statistical Production and Services;
- d) Include country experiences and examples of good practices whenever appropriate;
- e) Clarify typology, concepts and definitions, including of statistical units;
- f) Provide practical guidance on core SBR issues (development and maintenance);
- g) Link to other statistical subject areas, such as national accounts and trade statistics;
- h) Provide guidance on the use of administrative sources in the SBR, including guidance on cooperation with owners of administrative data sources;
- i) Provide guidance on how to combine survey and administrative data sources;
- j) Provide guidance and practical examples on how to use the SBR in its own right and in combination with other registers for the production of statistics;

k) Provide guidance on and practical examples of the integration of business registers in the statistical production process.

13. The Task Force was formed in January 2012 with the following countries and organizations as members: Austria (chair), Australia, Brazil, Canada, Chile, Columbia, Denmark, Egypt, France, Italy, Mexico, Netherlands, South Africa, Switzerland, Ukraine, United Kingdom, The African Development Bank (AfDB), Eurostat, OECD and UNSD. UNECE provides the secretariat.

14. Since early 2012, the members of the Task Force have worked on drafting the chapters of the report. The report will consist of 9 chapters, each with lead and contributing authors (see Table 1). The report will also include a research agenda for possible future work.

Table 1.
Chapters of the Report of the Task Force on SBR

	Lead Author	Contributing authors
Chp 1: Introduction	Austria	OECD
Chp 2: Roles of the SBR	Netherlands	Italy, Mexico
Chp 3: Coverage of the SBR	Australia	Italy
Chp 4: Units in the SBR	France	Chile, UNSD
Chp 5: Characteristics of the units	France	Canada, Colombia, UNSD
Chp 6: Data sources for the SBR	UK	Brazil, Chile, Denmark, UNSD
Chp 7: Maintenance of the SBR	Switzerland	Colombia, Egypt, Ukraine
Chp 8: Quality of SBR	Italy	Switzerland, Denmark
Chp 9: Establishment of SBR	Canada	Mexico
Glossary	Eurostat	UNECE

15. The first draft versions of the chapters of the report were presented to the meeting by the lead authors. A number of comments were made, which are listed below by chapter:

Chapter 2: Roles of the SBR

16. The chapter should address issues associated with the financial sector and central banks. To this end, countries were encouraged to provide examples of good practise. The role of the SBR in the modernisation of statistics should also be mentioned in the chapter.

Chapter 3: Coverage of the SBR

17. The unobserved economy plays an important role in many countries. The Guidelines should provide advice on the treatment of unobserved, grey or illegal units or enterprises, by, e.g., providing examples or case studies and practical guidance on how such units may be treated.

Chapter 4: Units in the SBR and Chapter 5: Characteristics of the units

18. The importance of coherent definitions of concepts such as, e.g., enterprises, enterprise groups and establishments, was underlined, as was the need for harmonising terminology in general, since both concepts and terminology appear to vary amongst countries or regions. The Guidelines will use and promote definitions based on existing standards (ISIC and 2008 SNA) and harmonise terminology to the extent possible. UNSD agreed to address issues on units in a follow-up to the global survey on SBR.

Chapter 6: Data sources for the SBR

19. Economic censuses are important sources not only in many developing countries, but also in countries with developed statistical systems. Hence, the use of censuses as data sources should be dealt with in more detail. UNSD agreed to also consider this issue in the follow-up to the global SBR survey. Material from enterprise groups may provide useful information for the SBR, although the information has to be taken manually from reports and other documents of the enterprise groups. For the future, electronic means may be considered. Advantages and disadvantages of various sources should be clearly mentioned.

Chapter 7: Maintenance of the SBR

20. There were no comments for the draft chapter 7.

Chapter 8: Quality of SBR

21. The chapter will deal with both how to measure quality and how to improve it. The economic census may be a good information source, which should be reflected in the Guidelines. The importance of the quality of administrative data and institutional arrangements with the owners of the administrative data should also be reflected.

Chapter 9: Establishment of SBR

22. Transparency is an important issue that should be covered in the chapter.

23. Participants were encouraged to submit written comments to Norbert Rainer (norbert.rainer@statistik.gv.at) with a copy to carsten.boldsen@unece.org. The TFSBR will take the received comments and proposals into account in the drafting of the Guidelines. The TFSBR will submit its final report to the CES Bureau in October 2014, followed by a round of global consultation before submission to the CES plenary in 2015 for endorsement.
