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## MANAGING A REGISTER WITH A VIEW TO IMPROVING ITS QUALITY\*

# Paper submitted by the National Statistical Committee of the Kyrgyz Republic

## I. ESTABLISHMENT OF A SINGLE STATE REGISTER OF STATISTICAL UNITS

- 1. Work on the establishment and maintenance of a register of statistical units in the Kyrgyz Republic began with the entry into force of the State Statistics Act adopted by the Zhogorku Kenesh (Parliament) of the Kyrgyz Republic in 1994.
- 2. The conception of the Single State Register of Statistical Units was based on common methodological and classification principles reflecting international experience and on a single identification code for enterprises, organizations and individual entrepreneurs (OKPO).

\* The present document was submitted after the 10-week deadline in order to include the latest statistical information.

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- 3. The registration of legal persons and individual entrepreneurship is an official requirement under the legislation adopted in the Kyrgyz Republic. Economic entities, except for those working on a patent basis, must be registered as from the time when the decision is taken to create an enterprise.
- 4. Economic entities which have undergone State registration in compliance with the legislation of the Kyrgyz Republic must be placed on record in the statistical bodies according to the area where they conduct their activities. The common identification code for enterprises, organizations and individual entrepreneurs is assigned on the inclusion of entities in the Single State Register and must be used, pursuant to the decision of the Government of the Kyrgyz Republic, by all ministries, departments and economic entities.
- 5. The Single State Register therefore constitutes a system for official recording and identification of all economic entities located in the territory of the Kyrgyz Republic: enterprises, organizations and institutions, public associations, peasant (farmers') holdings and individual entrepreneurs, as well as branches and representations of legal persons.
- 6. The Single State Register consists of an administrative block and a classification block, performs the functions of an administrative register and contains basic administrative information about each statistical unit.
- 7. The administrative block includes reference information about the economic entities: name, office location and place of economic activity, postal index, e-mail address, director's full name and telephone and fax numbers.
- 8. The classification block contains information coded in accordance with the classifications recognized in the republic on the entity's form of ownership, kinds of economic activity, territorial affiliation, subordination, economic sector, partner countries, etc.
- 9. Defined and recorded in the Single State Register are statistical units that will eventually serve as a tool for sample surveys, statistical observation and analysis. At present the main statistical units contained in the register and used in national statistical practice are those of the "enterprise" and "local unit" type. Other kinds of statistical units may possibly also be used in the future.
- 10. The Single State Register is the basis for studying the economic demography of enterprises and for building a system of statistical registers, including a register of business activities.

### II. REGISTER OF BUSINESS ACTIVITIES

- 11. The formation of a statistical register of business activities on the basis of the Single State Register meant creating an up-to-date frame for conducting statistical observations and organizing sample thematic surveys.
- 12. Classification attributes of the activity of economic entities were developed and included in the structure of the Single State Register for these purposes and are used as necessary in setting up a database of operating enterprises.

13. The register of business activities is a structured list of active statistical units which are currently engaged in economic activities, have a definite economic importance, contribute to the creation of the national gross domestic product and provide a Single State Register "snapshot" of the situation as at 1 December of each year.

## III. IMPROVING THE QUALITY OF STATISTICAL REGISTERS

#### Introduction and use of single identification codes

- 14. Administrative data sources are the principal tool used for improving the quality of the register of business activities, while the interlinking of departmental registers is based on the application of single identification codes.
- 15. In 2002 the Government of the Kyrgyz Republic adopted a decision concerning the mandatory use of a common identification code by entities engaged in economic activities, and obliging ministries and departments to apply it when creating and maintaining departmental registers, thus allowing for effective data interchange between departments to ensure the full recording and reliability of information about economic entities.

## Establishment of a single coding and classification system

- 16. The legislation in the Kyrgyz Republic stipulates the mandatory use of a single system of classification and coding of technical, economic and social information when forming and managing State and departmental information systems and resources. This ensures a unified approach to forming departmental registers and defining and classifying the kinds of activities of economic entities, their location, etc.
- 17. The introduction of such a system helps to ensure the comparability of information resources and systems, as well as making it possible to create a single and transparent database on economic entities.

#### Improving the quality of the register

- 18. The main aim of updating the statistical register is to obtain full, current and verifiable information about economic entities (location of a given entity, its principal kind of activity, state of activity and other characteristics) and to provide a single and reliable frame for the organization of statistical observations.
- 19. Information about an economic entity is updated from official information on the registration or re-registration of economic entities and regulatory reference documentation, statistical reporting data, sample surveys and questionnaire replies of enterprises.
- 20. The quality of the statistical register is determined by the consistency of its contents with the existing reality. The concept of "register quality" includes fullness of coverage, soundness, accuracy and currency of data, stability, timeliness and territorial management.

- 21. The statistical register covers all economically active units (legal and natural persons) which have been registered and are subject to statistical observation. Newly-created entities are included in the register of business activities only after the determination of their economic activity. A survey of newly-created enterprises, organizations and institutions has been introduced for this purpose and is conducted twice a year.
- 22. Soundness means that the register accounts for the statistical units necessary for the organization of data collection. Indicators for each of the units enable populations of units to be stratified correctly with the selection of representative samples. For the detection and correct evaluation of changes taking place, use is made of the "TOKTOM" legal information system. This database includes legislative and regulatory legal acts on the creation, reorganization and liquidation of central and local government or local self-government bodies, on the creation and reorganization of administrative territorial formations, joint-stock companies with mainly State capital shareholding, as well as other sources of administrative data.
- 23. Accuracy means that the data entered should correspond to the real facts. The register is for this reason provided with a logical control mechanism.
- 24. Greater accuracy is ensured by updating. An important role is played by the detection and correct evaluation of changes occurring with an entity. The procedure established in accordance with the decision adopted by the Government for the interaction of the Single State Register with departmental registers ensures the receipt of current information on the state of activity of economic entities. Verifying State Register entries with the data of departmental registers (State register of legal persons, branches and representations of the Ministry of Justice, the taxpayers' database of the State Tax Inspectorate, the Social Fund contributors' database and the listing of banks and other financial and credit organizations and joint-stock electricity distribution companies) is done monthly using the OKPO identification code. Comparisons are made following the approved schedule for the exchange of information about economic entities on magnetic carriers and through electronic communication channels.
- 25. Data from special surveys are also used for the purpose of updating. The activities of agricultural goods producers, including State and collective farms, peasant (farmers') holdings, individual entrepreneurs engaged in agricultural production, private subsidiary plots and collective gardens or orchards, are now being updated on the basis of agricultural census data and the new structure of the register.
- 26. A census of the services sector conducted in October 2004 made it possible to obtain data on active entities providing services, showing their number and structural changes.
- 27. An entity's principal activity and economic indicators (size and turnover) are updated in the statistical register once a year, reflecting the situation as at 1 December on the basis of the annual results, and these are kept in the register until the end of the next reporting year. The stepwise instruction developed for State statistical services at all levels systematizes measures for updating the statistical register with respect to defining the principal kind of activity and checking on the state of activity of economic entities. Stability of the principal activity of statistical units maintained until the end of the current year allows time series to be kept and ensures the comparability of statistical data in the ongoing period.

- 28. Timeliness in the formation and management of the system of registers is achieved by keeping to the deadlines set by the statistical work programme. The statistical register is managed in accordance with the plan of measures approved for its updating. This procedure enables the statistical register to be updated to the start of preparatory work on the organization of statistical observations for the next reporting year.
- 29. Regional statistical services update territorial registers at the local level, requiring full and current information to be obtained starting from the lowest unit.
- 30. Figures for natural persons registered in State statistical bodies are updated using the taxpayers' database of the State Tax Inspectorate attached to the Ministry of Finance of the Kyrgyz Republic.
- 31. The quality of the register greatly depends on observing the rules for its maintenance. When information is received the data obtained are checked for discrepancies with the information which has already been entered in the register.
- 32. Updating of the register is done:
  - Continuously (creation, registration of changes, liquidation);
  - Regularly (statistical and administrative surveys);
  - Occasionally (in particular, procedures for improving the quality of the register: taking censuses of reporting units covered in the Single State Register, surveying newly-created enterprises (organizations or institutions), interviewing users of the register).
- 33. The Single State Register is managed with the standard software used in the State statistical system, which makes it possible to update the register and obtain from it information about any registered entity and various tables showing key attributes on the basis of the indicators in the registration map of the Single Register. Work is being done to refine the software in order to improve the effectiveness of the register and the quality of the data obtained from it. Various PC database management systems are being studied and analysed with the aim of creating an automated State Register management system more fully satisfying users' requirements and compatible with the technical basis on which the register is operated.

### Skills upgrading

34. Establishing and supporting the effective operation of a statistical register are impossible without precise and well-organized work by the core staff involved. One of the main objectives of personnel policy is the clearly-defined functioning of a system of continuous vocational training of public servants and employees of the State statistical bodies. With a view to forming stable, motivated, versatile and highly-qualified personnel capable of dealing efficiently with the tasks facing the republic's statisticians, a skills-upgrading programme is developed each year for

specialists of the National Statistical Committee of the Kyrgyz Republic. Training is one of the ways of increasing internal opportunities, at both the regional and the local levels of statistics, as a major part of organizational restructuring. The qualifications of statistical staff are being enhanced not only on the basis of special skills-upgrading programmes for statistical specialists, but also through annual and long-term programmes and international projects.

- 35. To ensure high-level management of a statistical register it is essential to develop individual work habits and independent decision-making capacities in employees of the statistical services, both at the central and at the regional level. To this end it is planned to hold an educational seminar on issues of further updating of the system of statistical registers in the second quarter of 2005, inviting a specialist from an international organization (M. Colledge, Australian Bureau of Statistics).
- 36. The development of regional statistics with the provision of highly-qualified staff has become one of the most pressing and serious challenges, since all decisions being taken by regional and local authorities and administrations have to be underpinned by objective and reliable statistical data.

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