

Unique identifiers for businesses in France

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- 1. Brief presentation of INSEE**
- 2. Unique identifiers from administrative business register**
- 3. Use of unique identifiers in our structural business register**
- 4. Use of SBR to produce our statistics**
- 5. Identify businesses for globalization issues**

1. Creation of INSEE and legal status

French national Institute of Statistics and Economic Studies

- Founded by the Budget Law of 27 April 1946, as national statistical office.
- A Directorate of the Ministries for the Economy and Finances, its offices are located all over France.
- Its professional independence is enshrined in law : the Economic Modernization Law of 4 August 2008 established the Official Statistics Authority, which is in charge of ensuring that the principle of professional independence is respected in the design, production and dissemination of official statistics.

1. INSEE's main objectives

To inform economic and social debate

- INSEE collects, produces, analyses and disseminates information on the French economy and society.
- to the public authorities, administrations, social partners, businesses, researchers, media, individuals...
- to enrich their knowledge, carry out studies, make forecasts and make decisions.

To coordinate the work of the official statistical system

- Work with the Ministerial Statistical Departments that carry out statistical operations in their area of expertise. Decide on methods, standards and procedures for statistics and their publication.

Required by law to maintain several administrative registers

- the national directory of companies and establishments, used for the identification of companies,
- the national directory for the identification of natural persons,
- the national electoral roll.

2. SIRENE, an administrative business register to produce unique identifiers

- As early as 1948, Insee realized the importance of setting up a **unique identifier for each business**, to allow matching with administrative sources.
- A 1973 Government decree officially started the **French Inter-Administrative Register** of legal and local units called **SIRENE**, its maintaining was given to INSEE.
- **Five administrations** were concerned: INSEE, Social Security, Tax administration, plus Registrars of Commercial Court (Register of Commerce and Societies) and Chambers of Craftsmanship (Register of Craftsmanship)

2. Sirene, an administrative business register to produce a unique identifier

- In 1994, a French law enforced that this inter-administrative ID number, allocated by INSEE, would become **Unique** and **Mandatory in relationships between administrative bodies and businesses**.
- This ID number would be the sole and unique ID for :
 - B to B transactions (e.g. in orders and invoices),
 - Relationships between business and their employees (mandatory part of the wage slip),
 - Relationships between business and their banks (ID number is mandatory to open a bank account),
 - Relationships between the Social Security bodies and the populations, referring to their employers
- Main objectives of the administrative register :
 - Register all the French legal and local units identified with a specific number allocated randomly
 - Provide for each unit a “main activity code”
 - Centralize and deal with the information about businesses
 - Send information to all the partners
- The register is **daily updated** by 12 000 declaration forms received by one of the public authorities

2. Sirene : The quality

- Automatic processings :
 - 99% of declaration forms are received by teletransmission from Enterprise Formality Centers ;
 - 65% of them are automatically processed : coding of the main activity, managing the addresses with a specific geographical sub-system.
- Speed :
 - 99% of creation requests are processed within 24 hours
- Quality is ensured by :
 - specific checks ;
 - automatic matching of SIRENE with other sources ;
 - quality specific surveys.

3. Use of UID in our structural business register

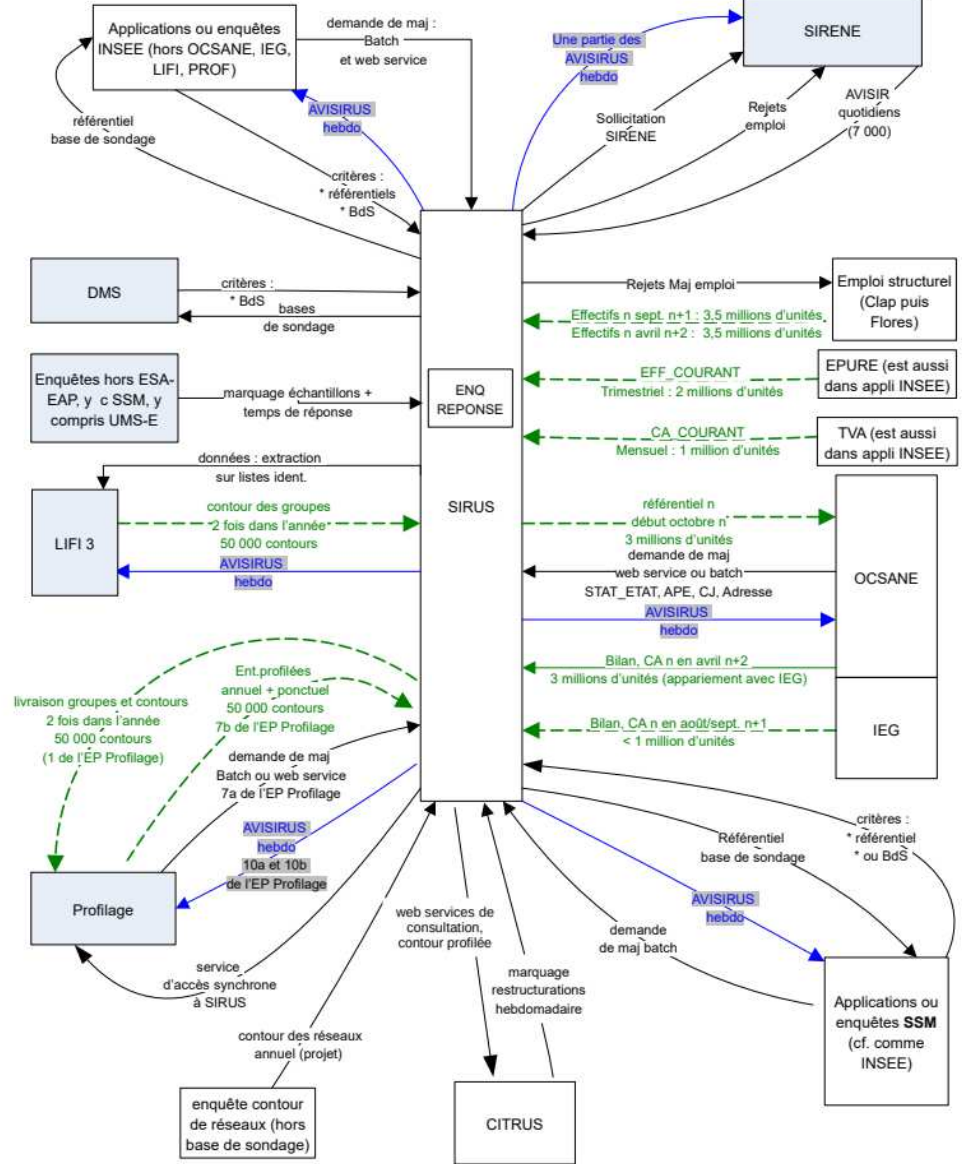
- **Up to 2012**, we used the IABR (Inter-administrative Business Register) as a SBR (Statistical Business Register).
- **In 2012**, with the re-engineering of the structural business statistics, we decided to **separate** those two functions (administrative / Statistical) and to **create new registers** devoted to statistical purposes, called SIRUS.
- In addition, a **legal framework** ensures the quality of statistical surveys (obligation to respond, confidentiality of data) and the use of administrative (micro) data and even private sources to produce statistics

3. SBR, the backbone for producing business statistics

- The statistical business register gets its information from the administrative register **to identify establishments (LoU) and legal units (LeU), with continuous flows**
- It collects **groups' identification** from the French group register (financial links between legal units), and implement the **new “entreprise” unit** (statistical unit based on operating autonomy criteria)
- All these identifiers are unique in the production of our statistics, and **all linked between them**
- The SBR **defines different fields** for the production of business statistics

- SBR collects other **core data from surveys or administrative sources** (sizes, turnover, employment, restructuring, etc.)
- It calculates the **business categories** defined by law
- It estimates a **statistical cessation of companies**
- It collect information on the **survey burden for enterprises**
- The **interoperability with the European group register** is in progress

Flow chart of Sirus



- Our SBR itself **does not produce disseminated statistics**
- It serves as a **sampling frame for 35 statistical surveys** from Insee and statistic departments of Ministries, depending on the statistical unit chosen. It allows the **negative coordination of samples** to limit the burden on businesses
- Several business processes use SBR and its unique identifiers to **interlink administrative and statistical data bases** : for information on the groups, to produce structural business statistics and national accounts, for demographic studies on firms and local units, for short term statistics, etc.
- an **agreement with the expert of French central Bank** allows them to use it to carry out their activities (merge data files, identify units from their files, etc.)

5. Identify businesses for globalization issues

- **Multinational enterprises** are identified in our business register. Data on their activity are produced by **specific treatment** (only on national territory for national needs)
- A **European group register** cluster data from multinational enterprises. Financial links are checked by each country to **ensure the consistency** of data **between countries** (group composition, nationality, employees, turnover). A European identifier is created for all the legal units of the EGR. This register is being improved.
- Other works in Europe : **European profiling, Early warning system, surveys** (outward flows, global business chain), works for national account consistency, etc.

5. Identify businesses for globalization issues

Insee is the **main issuer of LEI in France** since 2018

Reasons to INSEE involvement in the GLEIS :

to maintain a high quality level of **linkage between all IDs**,
to improve business statistics by adding purely financial data,
to better update the perimeters of the Groups and to more easily define the Profiled Enterprise at national level and also at EU level (in EGR)

It **cannot replace our unique identifiers** (not complete : 40 K vs 6 000 K, question of financing its development for all companies)

A solution for **global studies on multinationals** ?

Thank you for your attention!

Join us on:

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