Guidelines for Statistical Business Registers

International Seminar on Trade and Tourism Statistics
Jakarta, Indonesia, 7 – 10 October 2013

United Nations Statistics Division
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Ongoing work…

- Guidelines for Statistical Business Registers are being developed in:
  - Africa – AfDB Guidelines on Business Registers
  - Latin America – ECLAC project on Business Registers
  - Europe – UNECE Task Force on Statistical Business Registers
  - Asia – SBR development is part of the 2008 SNA implementation program
The UNECE Task Force to release in 2014…

**Guidelines on Statistical Business Registers:**

- Ch 2 – Roles of SBR
- Ch 3 – Coverage of SBR
- Ch 4 – Statistical Units
- Ch 5 – Characteristics of Units
- Ch 6 – Data Sources used
- Ch 7 – Maintenance
- Ch 8 – Quality of SBR
- Ch 9 – Creating a SBR
Roles of the Statistical Business Register (SBR):

<table>
<thead>
<tr>
<th>Role</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 SBR Live Register</td>
<td>The gateway between (different) source(s) and the statistical units</td>
</tr>
<tr>
<td>2 SBR Backbone</td>
<td>Coordinate populations of statistical and administrative units in space &amp; time</td>
</tr>
<tr>
<td>3 SBR Sample Frame</td>
<td>Provide set of administrative units valid for the reference period with all attributes to draw a sample</td>
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<tr>
<td>4 SBR Survey support</td>
<td>Control administrative burden and monitor survey response</td>
</tr>
<tr>
<td>5 SBR Statistics</td>
<td>Statistical information based on registers</td>
</tr>
<tr>
<td>6 SBR Global data exchange</td>
<td>Coherence in global statistics</td>
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<tr>
<td>7 SBR Information Source</td>
<td>Support market investigation performance</td>
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</tbody>
</table>
The central Statistical Business Register is the backbone of the System of National Accounts and of integrated economic statistics. Only through a central register can economic statistics be linked and fully understood as an integral system.

A central SBR will ensure that enterprise surveys in various areas of economic (but also environmental and social) statistics are compatible and harmonized.
Purposes of statistical business registers

Good business registers can:

- Provide a directory for mailing lists for paper or electronic questionnaires in statistical surveys
- Improve congruence between different surveys
- Help to improve coverage or reveal inaccuracies
- Reduce collection efforts and reporting burden by using the same information for different purposes
- Allow surveys to be distributed more effectively and economically among enterprises
Confidentiality

Business Registers contain detailed micro data. To retain trust in official statistics and the trust of respondents, confidentiality must be ensured.

- Precise rules for access and dissemination of the business register need to be established beforehand.
- Access rules will vary by country, due to differences in national laws and regulations on statistical activities.

**Principle 6.** Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.

**Principle 7.** The laws, regulations and measures under which the statistical systems operate are to be made public.

Legal requirements and confidentiality determine both the information available to build business registers and the limits to which that information may be used. The legal framework must allow access to use of administrative records necessary for the preparation of the business register (VAT, social security administration records, etc).

It is often difficult to persuade enterprises to supply information which they do not themselves need.

- Contemplate sanctions on those entities not providing the requested information?
- Provide relevant data, such as the participation in sales, employment or demography of the sector of which they belong?
**Variables to include in SBR**

### Identifier:
1. Identity number
   - should be the same used by other administrative units and in all statistical surveys)
2. Name
   - Address
   - Telephone and fax #
   - E-mail address
3. VAT number
   - Or other administrative identity number

### Economic/stratification characteristics:
1. Principal and secondary activity
2. Foreign control
   - ultimate controlling institute
   - country of decision
3. Number of employees
4. Turnover
5. Salaries
6. Locations of local units
7. Value added, Assets
8. International trade & trade through FATS

### Demographic characteristics:
1. Dates like commencement and termination of activities
2. Date of incorporation
3. Date of official recognition as an economic enterprise or date when legal unit ceased to be part of an enterprise
UNSD Global Assessment of Business Registers

In March 2013, a survey was sent to 208 economies, of which 116 economies completed the questionnaire.

- 116 economies
  - 32 OECD and 84 non-OECD
  - 39 developed and 77 developing or transition economies
    - 23 Africa
    - 18 Latin America and Caribbean
    - 18 Asia and Pacific
    - 18 Southern and Eastern Europe
4. What is the coverage of the industrial sectors in the Business Register? (Mark all that apply)

- A: Agriculture, forestry and fishing
- B: Mining and quarrying
- C: Manufacturing
- D: Electricity, gas, steam and air conditioning supply
- E: Water supply, sewerage, waste management and remediation activities
- F: Construction
- G: Wholesale and retail trade, repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- J: Information and communication
Coverage

- K: Financial and insurance activities
- L: Real estate activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- O: Public administration and defence, compulsory social security
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities
- T: Activities of households as employers, undifferentiated goods and Services producing activities of households for own use
- U: Activities of extraterritorial organizations and bodies
5. What are the statistical units in the Business Register? (Mark all that apply)

- Enterprise group
- Enterprise
- Establishment
- Kind-of-Activity unit (KAU)
- Local unit
- Other (please specify)
Statistical Unit in the Business Register

<table>
<thead>
<tr>
<th>Statistical Unit</th>
<th>Non-OECD</th>
<th>OECD</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise Group</td>
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<tr>
<td>Enterprise</td>
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<tr>
<td>Establishment</td>
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<td>KAU</td>
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<tr>
<td>Local Unit</td>
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<tr>
<td>Other</td>
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</tbody>
</table>

Percentage of respondents
Identifying trading firms

- A comprehensive statistical business register includes enterprises that trade in goods or services and includes enterprises that are foreign affiliates.

- It would be a great advantage if the SBR indicates for each enterprise, if it has traded in goods and/or services, and if it is a foreign affiliate.

- It is also vital to avoid approaching businesses multiple times for different surveys for same information.
Sources of information:

- VAT Registers
- Chambers of Commerce
- General Business Registers
- Trade Registers
- Social Security Administrations
- International Settlements and Payments Database
- Trade Associations
- Regulatory Bodies
- Tax Files
14. Which data sources are used for which characteristics? (Check all that apply)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Survey(s) conducted by</th>
<th>Survey(s) conducted by</th>
<th>Social Security Register</th>
<th>Transport Registers</th>
<th>Health Records</th>
<th>Customs Records</th>
<th>Administration data from Regional/Local Government</th>
<th>Other data sources*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration Number (Admin. code)</td>
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<td>Enterprise type**</td>
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<td>Industrial classification</td>
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<td>Date of Birth/Closure</td>
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</table>
Data Sources are Used for Specific Characteristics - OECD Countries

Percentage of respondents

Data Source:
- NSO Survey
- Government Survey
- Tax Records
- Social Security Registry
- Transportation Registry
- Health Records
- Customs
- Local Governments
- Other sources

Data Sources:
- Registration Number
- Identification Number
- Contact Information
- Enterprise Type
- Industrial Classification
- No. of Employees
- Date of Birth/Closure
- Active Status
- Control Type
- Turnover
- Net Fixed Assets
Data Sources are Used for Specific Characteristics
- Non OECD Countries

The graph shows the percentage of respondents using various data sources in non-OECD countries. The data sources include NGO surveys, government surveys, tax records, social security registry, transportation registry, health records, customs, local governments, and other sources. Each data source is represented by different bars with various colors indicating specific characteristics such as registration number, identification number, contact information, enterprise type, industrial classification, number of employees, date of birth/closure, active status, control type, turnover, and net fixed assets. The percentage values are indicated on the y-axis, ranging from 0% to 100%.
The business register needs to be continuously updated (depending on the data sources) to be able to give a situation picture which is as up to date as possible. Trade is normally shifting very rapidly, which means that old data may soon become useless.

The register should be updated at least annually to record unit creations and deletions, as well as changes in address and stratification variables.
15. With which frequency are the following characteristics updated in the business register? (Check all that apply)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Continuously or regularly for all units - at least yearly</th>
<th>Continuously or regularly for at least part of the units - at least yearly</th>
<th>Occasionally - less frequent than yearly</th>
<th>Never - no change has been made to the list since it was established</th>
<th>Not applicable (characteristic is not available in business register)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration Number (Admin. code)</td>
<td>○</td>
<td>○</td>
<td>○</td>
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</tr>
</tbody>
</table>
Enterprise Type Update Frequency

Percentage of Responses

- Continuously or regularly for all units
- Continuously or regularly for at least part
- Occasionally
- Never
- Not applicable

Legend:
- non-OECD
- OECD
- ALL
Industrial Classification Update Frequency

- Continuously or regularly for all units:
  - non OECD: 50%
  - OECD: 70%
  - ALL: 60%

- Continuously or regularly for at least part:
  - non OECD: 30%
  - OECD: 20%
  - ALL: 25%

- Occasionally:
  - non OECD: 10%
  - OECD: 5%
  - ALL: 7%

- Never:
  - non OECD: 5%
  - OECD: 2%
  - ALL: 4%

- Not applicable:
  - non OECD: 0%
  - OECD: 1%
  - ALL: 1%
Indicators of quality:

- coverage
- accuracy of the data held
- frequency of updates
- accessibility and clarity
- comparability
- consistency of processes

How to measure quality:

- compare with external records
- area control survey (cluster sample) — conduct mini-economic censuses on a representative sample of geographical areas
- indirect check via employment — a comparison between employment estimates by geographical area and major sector of activity
How to improve quality

• Continue to search for sources and link the business register to other sources
• Improve the operation of data supply channels
• Develop strategies for under coverage and for over coverage (usually duplication of the same units)
• Improve information processing
• Improve timeliness of updates
• Use international recommendations on classifications (ISIC for example)
• Improve metadata
• Issue annual (or intra-annual) quality reports to users of main changes
Thank You