Guidelines on Statistical Business Registers

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Overview

- Aim & Structure of the Guidelines
- Roles of the SBR
- Data Sources
- Endorsement by the Conference of European Statisticians
- Topics for further work and research
- UNSD projects and initiatives
Aim of the Guidelines

- Provide practical guidance on core issues of establishing and maintaining the SBR.
- Clarify concepts and definitions, including for statistical units.
- Advise on use of administrative sources for SBR.
- Use the SBR in its own right for production of business statistics.
- Use the SBR combined with other statistical registers, administrative sources or surveys to produce new statistics.
- Clarify the role of SBRs in the modernisation of statistical production and services.
Structure of the Guidelines

Chapter 1  Introduction
Chapter 2  Roles of SBR
Chapter 3  Coverage of SBR
Chapter 4  Units in the SBR
Chapter 5  Characteristics of Units
Chapter 6  Data Sources of the SBR
Chapter 7  Maintenance of the SBR
Chapter 8  Survey Frame Methodology
Chapter 9  Dissemination
Chapter 10  Quality
Chapter 11  Key Consideration in Establishing an SBR
Chapter 12  Topics for Further Work and Research
Structure of the Guidelines

Annex A  Characteristics of Units by Unit Type
Annex B  International Classifications
Annex C  Examples of Statistical Business Registers
Annex D  Examples Relating to SBR Quality Assurance
Annex E  Additional Concepts and Procedures
## Roles of 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 through register snapshots and frozen frames</td>
</tr>
<tr>
<td>3 SBR Survey Frame</td>
<td>Provide set of administrative units valid for the reference period with all attributes to draw a sample</td>
</tr>
<tr>
<td>4 SBR Survey support</td>
<td>Control administrative burden and monitor survey response</td>
</tr>
<tr>
<td>5 SBR based statistics</td>
<td>Business demography statistics, business dynamics based on register snapshots, and integration with external trade register</td>
</tr>
<tr>
<td>6 SBR Information Source</td>
<td>Support market investigation performance</td>
</tr>
<tr>
<td>7 SBR International data exchange</td>
<td>Coherence in global statistics</td>
</tr>
</tbody>
</table>
The main statistical units used internationally are:

- Enterprise group
- Enterprise
- Establishment, also called local kind-of-activity unit (LKAU)
- Kind-of-activity unit (KAU)
- Local unit

- For each of these types of units, a set of characteristics is held in the SBR, such as economic activity code, size code, geographic location, date of entry, foreign ownership, and trader or non-trader

- Guidelines recommend that four units – enterprise group, enterprise, local unit and legal unit – be maintained in SBRs
UNSD administered a global Survey on national practices of linking trade statistics and business registers in summer of 2015

94 economies responded
28 OECD and 66 non-OECD
The Guidelines recommend that SBRs be created and maintained *primarily* using **Administrative Sources** due to their high coverage and relatively low cost and low response burden.

- Business registration/license registers
- Tax registers
- Company/trade associations and chambers of commerce registers
- Social security registers
- Industry association registers
- Central bank
- Agricultural administrative registers
- Water supply and electric association registers
In practice, it is recommended to use a **combination of administrative and Statistical Sources**, which can offer additional or more detailed characteristics, or can be used to estimate characteristics missing from administrative sources.

- **Feedback from enterprise and establishment surveys** – useful for updating the SBR as it provides information on changes in contact address, changes in the economic stratification characteristics, deaths, etc.

- **SBR improvement surveys** – it is unlikely that all units in the SBR can be maintained equally. It is usually necessary to focus improvement surveys on specific strata to measure and improve coverage and quality.

- **Profiling** – using company accounts, often accompanied by interviews with senior enterprise officials, to build and define the structure of enterprises, mainly those involved in large complex enterprise groups.
Other data sources for updating the SBR:

- **Telephone directories** – useful in adding or confirming SBR data
- **Payroll, taxation and accounting service providers**
- **Internet search** – information on the economic activity, on the production profile, on up-to-date addresses, etc.,
- **Commercial data providers**
- **Big Data** – so far no practical experience in their use in the SBR, but many possibilities
Data sources for SBR

- Tax Records
- Enterprise Surveys
- Social Security
- Economic Census
- Phone Interview

OECD
Non-OECD
Maintenance of the SBR

- Identify new statistical units without overcoverage, under-coverage, or duplication
- Identify values of the characteristics of existing statistical units
- Identify dates of changes

Taking into account the statistical unit’s size and potential impact on published statistics, its propensity to change, and available sources. And:

- **Continuity rules**: whether a statistical unit has continued despite significant changes (e.g., of ownership, size, economic activity and/or location), or has died and been replaced by another unit
- **Stability rules**: weigh speed of incorporating changes with stability
Maintenance of the SBR

Frequency of update

- Continuously
- Monthly
- Quarterly
- Annually
- every 2 years or more

OECD  Non-OECD
Survey design frame methodology

- The live SBR is backbone for economic surveys
- First identify the survey’s population of interest (e.g. manufacturing establishments, or enterprises with employees), a set of variables (e.g. turnover, employment, value added) and a reference period
- Snapshots of the live register are extracted containing all statistical units that are active, or have been active, within the past 12 months and their characteristics
- A survey frame is typically selected from a single frame population and consists of one type of statistical unit, e.g. enterprises for a financial survey or establishments for a production survey
Endorsement of Guidelines by the Conference of European Statisticians, Geneva, 15-17 June 2015

- The Guidelines were found comprehensive and helpful in supporting countries to maintain and improve SBRs;

- The Guidelines will be important for other regions; to be presented in Latin America in December; possibly translated into Spanish.

- Future work includes elaborating best practices for coordination with other organizations that provide data for business registers, such as Central Banks.
Topics for Further Work and Research

- **Statistical Units and Profiling**: best practices in profiling large and complex enterprises
- **SBR as a backbone of Integrated Economic Statistics**: multi-source datasets, single frame, harmonization of classifications
- **International Trade and Economic Globalisation**: micro-data linking, new global production arrangements (e.g. factoryless goods producers), supra-national SBR
- **Business statistics**: Linking, Business Demography, geo-coding of the SBR
- **Database software for SBR**
- **International Comparability**
UNSD – Costa Rica INEC Project: Linking trade statistics to SBR

Policy questions:

- Understand the role Costa Rica currently plays in three high priority GVCs;
- Identify potential upgrading trajectories for Costa Rica to increase the value of its participation in these GVCs; and
- Based on these outcomes, identify the set of public policies that should be implemented to consolidate, increase and strengthen Costa Rica's integration in industrial GVCs

Building on previous research

- Costa Rica: Trade Opening, FDI Attraction and Global Production Sharing (Monge, Jan 2011)
- Costa Rica’s Global Value Chains in the Global Economy (Duke University, Jan 2012)
- Latin America’s Prospects for Upgrading in Global Value Chains (Mexico, Mar 2012)
Costa Rica’s position in the Medical Devices Global Value Chain

Local firms are mainly in packaging & support services (12 of 19) versus 4 in limited role in plastics molding & metal finishing.
### Results of second linking exercise (June – December 2012)

<table>
<thead>
<tr>
<th></th>
<th>Not linked</th>
<th>Linked</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of records</strong></td>
<td>20,934</td>
<td>355,960</td>
<td>376,894</td>
</tr>
<tr>
<td></td>
<td>5.6%</td>
<td>94.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Value in ’000 USD</strong></td>
<td>130,354</td>
<td>3,248,470</td>
<td>3,378,824</td>
</tr>
<tr>
<td></td>
<td>3.9%</td>
<td>96.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Number of enterprises</strong></td>
<td>n.a.</td>
<td>1,903</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>Number of legal units</strong></td>
<td>764</td>
<td>1,958</td>
<td>2,722</td>
</tr>
<tr>
<td><strong>Number of establishments</strong></td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Main activity</td>
<td>All Business Register</td>
<td>Exporting enterprise</td>
<td></td>
</tr>
<tr>
<td>---------------</td>
<td>-----------------------</td>
<td>----------------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. of firms</td>
<td>No. of employees</td>
<td>No. of firms</td>
</tr>
<tr>
<td>A Agriculture, forestry and fishing</td>
<td>3,791</td>
<td>87,982</td>
<td>294</td>
</tr>
<tr>
<td>01 Crop and animal production</td>
<td>3,608</td>
<td>85,069</td>
<td>279</td>
</tr>
<tr>
<td>02 Forestry and logging</td>
<td>132</td>
<td>1,567</td>
<td>8</td>
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<tr>
<td>C Manufacturing</td>
<td>4,257</td>
<td>144,706</td>
<td>598</td>
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<tr>
<td>10 Manufacture of food products</td>
<td>1,078</td>
<td>48,328</td>
<td>137</td>
</tr>
<tr>
<td>14 Manufacture of wearing apparel</td>
<td>559</td>
<td>7,949</td>
<td>25</td>
</tr>
<tr>
<td>25 Manufacture of fabricated metal products</td>
<td>441</td>
<td>6,043</td>
<td>39</td>
</tr>
<tr>
<td>26 Manufacture of computer, electronics</td>
<td>40</td>
<td>6,531</td>
<td>21</td>
</tr>
<tr>
<td>27 Manufacture of electrical equipment</td>
<td>37</td>
<td>4,477</td>
<td>20</td>
</tr>
<tr>
<td>Wholesale and retail trade;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G+H Transport, warehousing, and support activities</td>
<td>18,668</td>
<td>201,935</td>
<td>739</td>
</tr>
<tr>
<td>46 Wholesale trade, except motor vehicles</td>
<td>2,471</td>
<td>58,966</td>
<td>591</td>
</tr>
<tr>
<td>47 Retail trade, except of motor vehicles</td>
<td>11,663</td>
<td>88,411</td>
<td>60</td>
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<tr>
<td>Other activities</td>
<td>19,277</td>
<td>318,907</td>
<td>186</td>
</tr>
<tr>
<td>Hotel and Restaurants</td>
<td>4,892</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional and scientific services</td>
<td>2,472</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social and Health services</td>
<td>1,871</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unknown activity</td>
<td>2,988</td>
<td>15,771</td>
<td>71</td>
</tr>
<tr>
<td>Non-matches</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>48,981</td>
<td>769,301</td>
<td>1,894</td>
</tr>
</tbody>
</table>
ADB initiative on SBR for improved information on SMEs

- A 2009 regional survey: only 29 out of 45 ADB developing member countries had functioning SBRs
- With contributions from UNSD, ADB has launched a multi-year (2014-2017) technical assistance project with:
  - Bhutan, Cambodia, Lao PDR, Malaysia, Sri Lanka
- National strategic development plans developed to modernize and improve SBRs to improve the overall business environment and facilitate private sector development
- Training programmes and study visits designed and organized
- Strategies for continuing maintenance and improvement of SBRs
- UNSD providing capacity building in linking the SBRs to trade statistics
Training on Linking the Malaysian SBR with Trade Statistics

• 17-23 September 2015, Putrajaya, Malaysia
• Training in collaboration with the Department of Statistics, Malaysia (DOSM) and UNSD on the concepts and methods for linking SBR and Trade statistics and corresponding IT tool requirements
• Presenting the type of data analysis that can be derived from linking the two datasets