UN Guidelines on Statistical Business Registers Distribution of work

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Part X: UN Guidelines for SBR – Distribution of work

Content

- Goals of part X

- Background of the UN Guidelines on SBR

- Approaches to the drafting of the UN Guidelines

- Distribution of work between the members of the expert group

- Time table and related organisational issues

Goals of part X of the Expert meeting

- Presentation of the main background for drafting UN Guidelines for SBR
- Discussion on how the new texts will be integrated
- Refer to the action points discussed part IX
- Distribution of each action point to a member of the expert group
- Agreement on the time table and related organisational issues

Background of the UN Guidelines

Statistical Commission in March 2017:

- Endorsed the proposal to establish United Nations guidelines for statistical business registers based on the existing UNECE guidelines, and taking into account the needs of countries with less-developed statistical systems by incorporating practical guidance and country cases applicable to abroad range of statistical systems

- Requested the creation of a committee of experts with balanced geographical representation and with terms of references to prepare the guidelines, and give guidance on issues of business and basic economic statistics, taking into account the use of administrative data, the choice of statistical units in the context of globalization, and issues related to a large informal sector

Approaches to the drafting of the UN Guidelines

- General approach of the "update" of the UNECE Guidelines: all changes mean mostly additional text, not change of existing text (Minutes of the Video-Conference on 17 January 2018)

- It is assumed that the additional text will be separate paragraphs throughout the whole current Guidelines

- The additional text/paragraphs should be clearly indicated as a new/additional text (for instance numbering of the new paragraphs with a, b, c, etc; similarly with new figures, boxes, etc.)

- In each chapter of the current guidelines a description of the additional paragraphs (and where and why) will be added in the introduction part of the chapter

- In chapter 1 of the current guidelines ("Introduction") a summary of the additions will be given

Distribution of work between the members of the expert group

- Each action point discussed in part IX will be distributed to one of the members of the expert group for drafting the appropriate additional paragraphs
- Of course, a member of the expert group can take care of more than one action point
- An action point might deserve just one or more additional paragraphs
- For consistency reason it might be desirable that an expert member drafts all additional paragraphs of one chapter, at least those texts on issues that are much interrelated

Action points: Chapter 1 – Introduction (1)

1. Paragraph needed on importance of SBR for the implementation of SNA 2008
2. (para 1.18) additional examples, plus indication of technical requirements to be able to keep all information in the system. New data sources.
3. (para 1.11 to 1.13) Instead of territorial area, we may want to refer to residency and economic territory as defined in the SNA 2008/ BPM6
4. Reference to statistics on foreign affiliates
5. (para 1.24) Because administrative data may not include all the information you want to be needed, it is still necessary to conduct economic surveys to meet those needs
6. (para 1.26) Use of big data that will be a new source of data, need to be studied and analyzed

Action points: Chapter 1 – Introduction (2)

7. It is important to emphasize that the guidelines should be relevant for all countries, therefore, covering various levels of statistical development.
8. Indicate how SBR can be linked to economic census, labor force surveys & other household surveys. How to cover also informal sector.
9. Coordination of administrative and Big Data more emphasized.
10. Emphasize of how to also help developing countries, and how we can formulate minimum requirements for creating and maintaining SBRs.
11. Guidelines to be aspirational, plus showing ways how to get there
12. Importance of access to administrative data; advocacy from UN
13. On coverage – adding more clearly how informal sector can estimated and what alternative data sources could be used

Action points: Chapter 2 – Roles of the SBR

1. (para 2.7) Can reference be made to experiences in sharing micro-data in secure environment?
2. Can we indicate a priority ranking of administrative data in their usefulness for SBR? (maybe to Ch. 6)
3. Can we use the GSBPM model for the process of creation and maintenance of the SBR, maybe in a separate chapter or as an annex (maybe to Ch.7)
4. Examples of roles of SBR (2nd and 3rd role)
5. (para 2.54) Use of additional data sources in linking of SBR with trade statistics (for consolidating purposes)
6. (para 2.59) Importance of good legal framework
7. (para 2.71) SBR satellite – provide example
8. (section 2.4) How to deal with under-coverage
9. (para 2.46) Add comments to time-lag between Economic censuses (especially for Business Dynamics.
10. Role of SBR – 2-way Exchange with admin

Action points: Chapter 2 – Roles of the SBR

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2. Can we indicate a priority ranking of administrative data in their usefulness for SBR? (maybe to Ch. 6)
3. Can we use the GSBPM model for the process of creation and maintenance of the SBR, maybe in a separate chapter or as an annex (maybe to Ch.7) – France offers examples
4. Examples of roles of SBR (2nd and 3rd role)
5. (para 2.54) Use of additional data sources in linking of SBR with trade statistics (for consolidating purposes)
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7. (para 2.71) SBR satellite – provide example
8. (section 2.4) How to deal with under-coverage
9. (para 2.46) Add comments to time-lag between Economic censuses (especially for Business Dynamics.
10. Role of SBR – 2-way exchange of data with national administrations

Action points: Chapter 3 - Coverage of SBR (1)

1. (Chapter 3) An additional section should be drafted which takes into account the circumstances in developing countries with respect to the coverage of a Statistical Business Register.
2. (section 3.2). the concept of "Residency" should be added in this section.
3. (paras 3.18 – 3.27). It is suggested to complement this section with information from the chapter 11, section 11.11, mentioning the relevance to cover the informal activities where this sector is important (i.e. mainly for developing and emerging economies). → chapter 11 just refers to chapter 3
4. (para 3.17) Include the usefulness for specifying the companies that use digital platforms (digital economy) in the section of Non-Observed and Observed Economies due to the relevance of this topic.

Action points: Chapter 3 - Coverage of SBR (2)

5. (para 3.14 -3.15) Reference to informal sector and non-observed economy. Link to chapter 11
6. (section 3.3) Non-financial corporations – "include only if admin data available"; can we rephrase if no admin data available?
7. (table 3.4 and 3.5) More explanation
8. Further clarification on under-coverage by admin sources due to thresholds.

Action points: Chapter 4 – Units of the SBR (1)

1. (section 4.1) The legal unit definition could be expanded, since this is so important. Could more advice be provided on how to build enterprises from legal units, and in what circumstances the enterprise is not equal to the legal unit? More info on consolidation

2. (section 4.2) It is mentioned that in a national SBR the delineation of an enterprise is normally restricted to the national territory. We suggest to clearly delineate between the concept of residence and any alternative presentation of statistics.

3. (section 4.3) More examples are needed on identifying Enterprise Groups in Practice.

4. (para 4.53) The address of a GGH, is also a location for an economic unit (enterprise) to do the operation of itself. Could the address of a GGH always identified an enterprise also? Maybe with the activity of head office. This needs to discussed in connection with GDC.

Action points: Chapter 4 – Units of the SBR (2)

5. (section 4.3.3) The definition of "truncated enterprise group" (the part of a multinational enterprise group that comprises only the legal units resident in the particular country is defined to be a "truncated enterprise group" within that country) seems to refer to the concept of "local enterprise group" as defined in BPM6 4.55-4.56: local (or territory-specific) enterprise group refers to an investor and the legal entities under that investor that are resident in the same economy (see also CDIS Guide, and OECD Benchmark Definition of Foreign Direct Investment). A reference could be made to this term of "local enterprise group" as opposed to the "multinational enterprise group" or "global enterprise group".

6. (para 4.83) In *International Recommendations for Industrial Statistics*, it is mentioned that an ancillary unit which is located in a geographically different location will be treated as an establishment. In Indonesia, we tried to identify ancillary unit besides establishment when we did the 2016 economic census. How do we treat ancillary units in SBR? How to maintain its data? How to utilize the data gathered about the units and what analysis should we make?

Action points: Chapter 4 – Units of the SBR (3)

7. (section 4.10) Examples from developing countries should be added in this part. More examples should be added focusing on local statistical units besides the circumstances of outward foreign affiliates.
8. (section 4.10) Updates on SPEs could be given from recent work at IMF and others.
9. (section 4.3.3) More recent information on Profiling needed
10. Profiling of Enterprise Groups – can we share best practices? France can share methodology
11. Where can we put more info on Profiling? In Annex?
12. Should we add "Social enterprises" in this chapter?

Action points: Chapter 5 – Characteristics of units (1)

1. (section 5.2) We suggest defining multinational domestically controlled and multinational foreign controlled. The terms are used in the text, but are not defined.

2. What are the characteristics of "Social Enterprises"?

3. …………

Action points: Chapter 6 – Data sources for the SBR (1)

1. (chapter 6) One of the data sources still the establishments census. The guideline should deal with that.

2. (section 6.1) It would be recommendable to explicitly include the economic census as an example of statistical sources. This comment applies to paragraph 6.8 too.

3. (para 6.29) It would be recommendable to include examples where both establishment and enterprises are built as statistical units in the SBR

4. (section 6.3) Tax authorities are the ones most reluctant to release individual data in spite of requirements of statistical acts. Must be the case in several countries (how to address this issue?) Secondly, how to ensure common and correct economic classification codes in the data bases of the different data sources. Should 'description of activities' be a must? What is the common practice in countries?

Action points: Chapter 6 – Data sources for the SBR (2)

5. (section 6.3) More should be said about non-tax data sources and their strengths and weaknesses. For example, how complete are utility company lists. It would be good to get some examples for non-tax authority data sources. Agree that more advice needed on gaining access to tax data, and also creating regular supply with confidence that supply will be maintained.

6. (para 6.58) This is a big deal in many countries, therefore it would be desirable to know experiences of NSI's which have successfully reconciled legislation to allow data sharing for statistical purposes. --> UNECE Generic law

7. (section 6.5.2) It would be convenient to include a paragraph mentioning that the countries should analyze the cost/benefit balance in order to make the decision to identify local units or establishments.

Action points: Chapter 6 – Data sources for the SBR (3)

8. (section 6.6.2) What happens in the case where small and medium size units in the SBR are not maintained? The SBR population of small units progressively grows in size where births are introduced via administrative sources and deaths are not removed. This is a reality since due to the lack of resources (when a choice has to made between maintaining large and small units) often the population of small businesses in the SBR is not maintained. (add France and Danish practice on dealing with Deaths)

9. (section 6.6.2) The role of the economic census is perhaps controversial, but are these more common in developing countries? More needs to be said on these and approached to keeping up to date in the long period between censuses.

10. (section 6.6.4) It is suggested to provide a diagram with the profiling steps in order to facilitate its comprehension with examples from several regions and countries. (maybe in Ch.4)

Action points: Chapter 6 – Data sources for the SBR (4)

11. (section 6.8) Additional explanation and examples are necessary.

12. (section 6.9) Country experience needed on agricultural units, particularly when these are mostly small ones and operate in an informal way is difficult to obtain from administrative sources and surveys are costly.

13. More context is needed on the cooperation of statistics agencies and public institutions that provide administrative data for preparing the SBR

14. Many developing countries do not have a network of administrative registers yet since they do not have a unique public identifier for the administrative units. For this reason, it would be convenient to include a detailed methodology about the actions needed to build this network – if the administrative registers are enough good for this goal and how to build an SBR from economic censuses.

Action points: Chapter 6 – Data sources for the SBR (5)

15. (Section 6.2) Combining different data sources. Emphasize the need to standardize over different data sources. More clarification and best practices needed

16. Distinction should be made between use of data sources for creation and maintenance (and data quality) of SBR – throughout the chapter.

17. Examples of best practices of combining data sources needed

18. (para 6.8.4) Matching in complex languages should be dealt with.

19. (Para 6.14) Further precision of language is needed (Indonesia)

20. (Para 6.27) Updating of language (Indonesia)

21. Ch. 6 has to deal better with Economic Census and hybrid solutions in-between censuses, e.g. with relation to upcoming sharing economy

22. Potential of using new data sources in absence of admin data

23. (6.6.3) SBR improvement surveys used for updating of SBR. Aerial samples. Expand on this point

24. (6.6.1) More positive mention of Economic Census – be careful with cost implications / aerial frame;

25. (6.6) Update from surveys feedback – be careful

26. More linkages with SBR, beneficial for SBR and new statistics

27. Table on plus/minuses of data sources

Action points: Chapter 7 - Maintenance of SBR

1. (para 7.9) Include the economic census as an additional source of information.

2. (para 7.19) Different SBR updating scenarios could be presented showing varying periodicities that depend upon the statistical infrastructure, the availability and quality of administrative and statistical sources, objectives and resources of the countries. Developing countries have different updating periodicities, depending on quality of available data sources for the updating.

3. Keep updating work inside the system, not to repeat the work again next year

4. Use admin data for maintenance purposes, esp. in absence of economic census

5. Share algorithms and updating procedures with administrative sources; so admin agencies can clean up their data

Action points: Chapter 8 – Survey frame methodology

1. (para 9.27) The Mexican example of DENUE will be updated since RENEM (the Mexican SBR) was created in 2015, now DENUE is the public part of RENEM (in Annex)

2. mm

3. ……………

4. ……………

Action points: Chapter 9 – Dissemination

- Granularity that can be disseminated for GVC purpose (made available to other agencies, also internationally)

- Link this chapter to the Guidelines on Business Demographics. How can we integrate those guidelines within this document?

- Why call it Dissemination of Economic Statistics

- Dissemination directly statistics from SBR

- What kind of data can be released to admin agencies? Can the example of DENUE be used in other countries, and how?

Action points: Chapter 10 – Quality of SBR

1. (section 10.4) Further clarification of the hyper dimension topic would be necessary in order to improve the in-depth understanding about the implementation of quality assurance measures.

2. Checking quality of input data, further clarification needed

3. Compare quality framework in this chapter with UNECE Big Data quality framework

4. ……………

Action points: Chapter 11 – Key considerations in establishing an SBR (1)

1. Proposal to use of SDMX for Business Registers for international comparability and facilitation of exchange of data.

2. Further explanations about the creation and use of standard templates and software programs to automate SBR information extraction would be of great help.

3. It would be desirable (and great!) establishing basic characteristics to create an ID at internal level to facilitate the identification of economic units for statistical purposes (taking into account the issues and practices in several countries worldwide) the identification number must keep homogeneity at the international level according to the unit classification mentioned in this chapter.

Action points: Chapter 11 – Key considerations in establishing an SBR (2)

4. Examples of experience in Palestine, Indonesia, Egypt and Tunisia

5. Simplified version of starting up SBR for small economies

6. Checking quality of admin data sources with Economic Census in setting up SBR

Action points: Chapter 12 – Topics for further work and research

1. (para 12.2) The survey conducted by Facebook, the World Bank and the OECD, entitled Future Business Survey (https://eu.futureofbusinesssurvey.org), could be considered in the research agenda. It analyzes Small and Medium Enterprises (SMEs) in the digital commerce environment. This survey generates tools that are useful, not only for the SBR but also for the creation and providing elements to new indicators such as those related to digital commerce.

2. ………………

3. ………………

4. ………………

Time table and related organisational issues

- Each new paragraph should be labelled where it should be inserted in the current guidelines

- The draft should consider the current text so that it can smoothly be inserted

- UNSD points:

  - Time table for the drafts

  - Organisation

  - Wiki

Thank you very much for your attention!

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