

B.3. Characteristics of a statistical business register

B.3. Characteristics of a statistical business register

5.14. An SBR typically lists the *economic entities* that are of interest for economic statistics. Economic entities have numerous characteristics, but some of the most important ones are their classification by (a) institutional sector (as defined in the 2008 SNA), (b) economic activity (as defined in the International Standard Classification of All Economic Activities (ISIC), rev. 4) and (c) location. Most countries provide laws that enable economic entities to define and register themselves as *legal entities*: entities that are recognized by law or society, independently of the persons or institutions that own them. A legal entity can own goods or assets, incur liabilities and enter into contracts. The legal entity (or unit) always forms, either by itself or in combination with other legal units, the basis for the statistical unit.^[1] A statistical unit is an entity about which information is sought and for which statistics are ultimately compiled. It is the unit that provides the basis for statistical aggregates and to which tabulated data refer.^[2] Those may be identifiable legal or physical entities or statistical constructs.

5.15. The 2008 SNA provides the standard definitions of the statistical units that are recommended by the Statistical Commission for use in setting up data collection in all economic areas.^[3] As mentioned above, the MSITS conceptual framework is grounded in the 2008 SNA. The 2008 SNA definitions of statistical units should therefore be used for trade in services statistics purposes, as well. Box 5.1 lists and briefly defines the main types of statistical units. The statistical units used in an SBR should be described by at least three sets of variables and characteristics, namely:

(a) Identifier variables: identity number, name, address (including postcode), telephone and fax numbers, electronic mail address and information to permit the electronic collection of data, value added tax (VAT) registration number or other administrative identity numbers;

(b) Economic/stratification characteristics: characteristics related to activity classification (principle and secondary), size (e.g., number of persons employed, turnover, value added) and location variables (e.g., country of global decision centre (ultimate controlling institutional unit (UCI)), countries in which enterprises or local units are located and information on whether or not the unit is engaged in international trade).

(c) Demographic characteristics: recording calendar dates for important events like commencement of activities, termination of activities and joining or ceasing to be part of an enterprise (group) permit an initial demographic analysis of the population of enterprises, local units and enterprise groups.

Box 5.1

Different types of statistical units

The *institutional unit* is an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and transactions with other entities. Two main types of units may qualify as institutional units: persons or groups of persons in the form of households, and legal or social entities.

An *enterprise* is an institutional unit in its capacity as a producer of goods and services. An enterprise is an economic transactor with autonomy in respect of financial and investment decision-making, as well as authority and responsibility for allocating resources for the production of goods and services. Enterprises under the control of the same owner form an *enterprise group* to achieve economic advantages, such as economies of scale, control of a wider market and an increase in domestic productivity through more effective business management.

An *establishment* is an enterprise or part of an enterprise that is situated in a single location and in which only a single productive activity is carried out or in which the principal productive activity accounts for most of the value added. Note that the 2008 SNA also defines industries in terms of establishments.

There are two other statistical units that are often referred to in data sources relevant for statistics on the international supply of services: A *kind-of-activity unit* is an enterprise or part of an enterprise that engages in only one kind of productive activity or in which the principal productive activity accounts for most of the value added; and a *local unit*, which is defined as an enterprise or a part of an enterprise (for example, a workshop, factory, warehouse, office, mine or depot) that engages in productive activity at or from one location.

Sources: 2008 SNA and *International Recommendations for Industrial Statistics (IRIS) 2008*.

Next: [B.4. Creation and maintenance of a statistical business register](#)

[1] See *International Recommendations for Industrial Statistics 2008* (IRIS 2008), Statistical Papers, Series M, No. 90 (United Nations publication, Sales No. E.08.XVII.8), para. 2.15.

[2] *Ibid.*, para. 2.12

[3] In addition to the 2008 SNA, IRIS 2008 and the fourth revision of the *International Standard Industrial Classification of All Economic Activities*, see Statistics Division "Statistical Units" (October 2007), available from http://unstats.un.org/unsd/industry/docs/stat_2008_6.pdf.