Summary

The document presents the key outcomes of the meeting of the Group of Experts on Business Registers, which was held on 30 September – 2 October 2019. This report is provided to inform the Conference of European Statisticians of the organization and outcomes of the meeting.

The meeting was organised following a decision of the Conference of European Statisticians in June 2019 (ECE/CES/2019/13) and the recommendation of the previous meeting of the Group of Experts on Business Registers in September 2017 (ECE/CES/2018/14/Add.8).
I. Introduction

1. The sixteenth meeting of the Group of Experts on Business Registers was held in Geneva, Switzerland, from 30 September to 2 October 2019. It was organised in cooperation with the Statistical Office of the European Union (Eurostat) and the Organisation for Economic Co-operation and Development (OECD) and with the support of the European Free Trade Association (EFTA).

2. The meeting was attended by representatives from Armenia, Australia, Austria, Azerbaijan, Bangladesh, Belarus, Bosnia and Herzegovina, Canada, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, India, Ireland, Italy, Japan, Kazakhstan, Kyrgyzstan, Latvia, Mexico, Mongolia, Morocco, Netherlands, Poland, Portugal, Republic of Korea, Republic of Moldova, Russian Federation, Serbia, Singapore, Slovakia, Slovenia, South Africa, Spain, State of Palestine, Sweden, Switzerland, Tajikistan, The Republic of North Macedonia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America and Uzbekistan.

3. The meeting was also attended by representatives from the European Central Bank (ECB), Eurostat, Eurasian Economic Commission (EEC), EFTA, International Labour Organization (ILO), Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT), OECD, United Nations Conference on Trade and Development (UNCTAD), United Nations Mission in Kosovo (UNMIK), United Nations Statistics Division (UNSD) and Georgian Technical University.

4. The meeting was chaired by Andrew Allen (United Kingdom), Luisa Ryan (Australia), Jamie Brunet (Canada), Mari Rantanen (Finland), Pierrette Schuhl (France), Roland Sturm (Germany), Caterina Viviano (Italy), Volker Taube (EFTA) and August Götzfried (Eurostat) acted as session chairs.

II. Organization of the Meeting

5. The meeting was divided into the following sessions:

   (a) Session 1: Use of administrative data sources for statistical business registers

   (b) Session 2: Use of big data and other new data sources for statistical business registers

   (c) Session 3: Different uses of statistical business registers

   (d) Country Progress Reports

   (e) Session 4: The role of the statistical business register in the modernisation of and integration of statistical production

   (f) Session 5: Web portals for business respondents

   (g) Session 6: Production of business demography and entrepreneurship statistics by use of the statistical business register

   (h) Progress of work of the United Nations Committee of Experts on Business and Trade Statistics (UNCEBTS)

   (i) Session 7: Statistical business registers and globalisation

   (j) Special Session for countries of East Europe, Caucasus and Central Asia (EECCA) and South East Europe (SEE)
III. Summary of discussion and the main conclusions reached at the meeting

6. Recommendations for future work are provided below. The main outcome and summary of the discussions are presented in the annex. The proceedings of the meeting are available on the UNECE website http://www.unece.org/index.php?id=50811

IV. Recommended future work

7. The following topics were proposed for discussion at the joint meeting of the Group of Experts on Business Registers in 2021, subject to the decision of the Bureau of the Conference of European Statisticians:

(a) The use of administrative data, big data and other data sources.
   Matching and linking with different data sources; access to data sources and cooperation with owners of administrative data.

(b) Using the statistical business register to produce additional statistics.
   Linking with personal or social registers; production of business demography and entrepreneurship statistics.

(c) Globalisation and multinational enterprise groups.
   Statistical units; profiling; large cases units.

(d) The digital economy.
   Conceptual issues and measurement challenges; covering the sharing or GIG economy in the statistical business register.

(e) Modernization of the statistical business register.
   Updating and reengineering the statistical business register for improving the statistical production processes and serving users with high quality information

(f) Classifications and identifiers in the statistical business register.
   ISIC/NACE revisions; treatment of special purpose entities and factoryless goods producers.

8. The results of the 2018 Country Progress Reports that were presented during the meeting should be considered when organisation the 2021 Expert Group meeting.

9. In the special session for EECCA and SEE countries participants supported the organisation of a regional workshop to discuss issues of particular importance to the countries of the region. A number of topics were proposed for discussion, including the use of administrative data sources; coverage of the non-observed economy; profiling and establishing enterprise groups; and production of statistics based on the statistical business register. The workshop should facilitate exchange of experiences and focus on providing good practices that can be implemented in statistical offices of the region. UNECE should investigate the possibilities to organise the workshop in cooperation with international and regional organisations and countries.

10. Countries that would like to organise sessions or submit contributions for the expert group meeting on business registers in 2021 are encouraged to contact UNECE.
Annex

Summary of the discussion

A. Session 1: Use of administrative data sources for statistical business registers

Session Chair: Jamie Brunet, Canada

1. The session included presentations by Australia, Ukraine, Mongolia, Georgia and Turkey.

2. Australia reported on the use of tax and other administrative files for the SBR. While tax data have been used for many years, more recently test cases for the usage of business income tax returns for industry coding and firm globalisation indicators have been undertaken. More generally, the Australian Bureau of Statistics (ABS) consider usage of administrative data as part of its generic statistical processes. ABS has put in place frameworks for managing data quality and maintaining robust information exchange and collaboration with the Australian Tax Office.

3. The presentation by Ukraine explained how the SBR builds on administrative data, which is managed through partnerships between the statistical office and the Ministry of Justice. There is a daily transfer between the two agencies that enables regular updates to the listings of legal enterprises and individual entrepreneurs that form the basis for the Ukrainian SBR. Data from statistical surveys and some other administrative sources are also used to provide many of the key attributes and variables necessary for the SBR frame.

4. The presentation by Mongolia similarly demonstrated how the SBR is benefitting from access to enterprise registration data. As a result of legislation enabling the statistical office to access such records, and also through effective data exchange contracts and partnerships with the General State Registration Authority, Mongolia has managed in recent years to enhance the robustness of its SBR and the statistical programs the SBR serves.

5. Georgia presented the use of administrative data for its SBR, which is built in large part on data from the National Agency of Public Registry and the Revenue Service. The presentation illustrated the benefits of these data sources, and discussed some of the challenges and data gaps that it is working to fill, for example the need for globalization indicators. Preferably such gaps will be filled through expanded use of administrative data. The Georgian presentation also highlighted the need for good record matching methods for successful use of administrative data.

6. The final presentation, by Turkey, provided an overview of the significant progress that have been made in the use of tax data for the Turkish SBR. Since 2007, the SBR has been transformed to an administrative-based frame. Previously, data had been compiled from an economic census, the last of which was conducted in 2002. As with the other country presentations, the use and improvement of tax data for the SBR relies on robust legal frameworks and good partnering with the administrative agencies providing the data (in Turkey’s case the Tax Revenue Agency).

7. In summary, the presentations illustrated the foundational role administrative data can play and also the frameworks and good practices that can make administrative data usage successful. From the presentations and the questions and comments from participants, some key themes for future discussions and presentations can be identified, including: partnership building with administrative agencies; methods for record matching; challenges and solutions in building information technology infrastructure for processing administrative data; and innovative means for using administrative data to fill data gaps pertaining to globalization indicator data, business location entries and industry coding.
B. Session 2: Use of big data and other new data sources for statistical business registers

Session Chair: August Götzfried, Eurostat

8. There were presentations by Japan, Eurostat and the European Central Bank.

9. Main data sources for SBRs are often administrative registers or other administrative data sources. For diminishing the burden on respondents and for enhancing the quality of the SBRs many statistical organisations investigate and use additional data sources (big data sources or other administrative data sources).

10. The presentations of the three contributing organisations offered an overview on how these organisations are enhancing or redesigning their SBR and the underlying production processes using multiple data sources. Common challenges emerged from the different experiences, such as the issue of dealing with competing information and the need to set up and continuously maintain priority rules in the establishment of these sources and the subsequent data processing. Also, clear data requirements and governance rules need to be defined e.g. for prioritising the input of the different data providers. The final aim is to reach the best possible accuracy and timeliness of the administrative and economic information stored in the SBR.

11. These new data sources have the potential to enhance the quality of SBRs and reduce the burden on respondents or administrations. They however need to be stable and well suited for the purpose envisaged. Close cooperation with the respective data provider is crucial.

C. Session 3: Different uses of statistical business registers

Session Chair: Luisa Ryan, Australia

12. The session included presentations by Italy, Portugal and Eurostat.

13. The SBR has a range of different uses including: providing survey frames and survey support, being a data set in its own right and a source of information on enterprises and units, supporting the production of business demography data, supporting the development of new indicators, and facilitating data integration. Expanding the uses of the SBR allows NSOs to more fully exploit its potential to support statistical production and statistical solutions, including addressing contemporary issues. This session highlighted that both NSOs and supra-national agencies are increasingly using the SBR for a broader range of purposes, with some good practices being established.

14. The papers highlighted how the SBR can support broad statistical objectives, including through the development of new outputs and experimental data on multinational enterprises using regional registers (Eurostat); how NSOs can work with other agencies to take a joint approach to industry coding (Portugal); and how new surveys can be developed in collaboration between the SBR and subject matter statisticians (Italy).

15. Key insights from this session included:

- The importance of broader collaboration to produce solutions. The papers highlighted examples of collaborative approaches supporting developments at the regional and national levels, as well as internally with NSOs.

- A regional approach (e.g. the European Group Register (EGR)) provides harmonised information to support a more complete analysis of multinational enterprises.

- Working with other government agencies to take a shared approach to updating industry coding improves accessibility and coherence across government. Learnings include that the NSO needs to ensure the statistical view is approved and can be explained to other stakeholders.

- Higher quality data and survey outcomes for structural business statistics can be achieved when the SBR team integrates “intra-flow” survey development with the business statistics teams.
• A key question raised in this session for future consideration was whether the EGR could be extended to a Global Enterprise Register.

It would be beneficial for other examples of different uses of the SBR to be shared in future meetings.

D. Special session on Country Progress Reports

17. Claude Macchi (Switzerland) presented a summary of the outcome of the 2018 country progress reports (CPRs). 48 countries/organisations submitted a CPR for 2018, two of which from Africa, three from the Americas, 17 from Asia and the Pacific, and 26 from Europe.

Current situation of SBRs in countries

18. The presentation of the current situation of SBRs in countries highlighted the coverage of the SBRs in terms of the number of employees in the units of the SBR, the number of units (enterprises or legal units) in the SBR and the use of geographical coordinates; 53% of the replies indicated that the SBR includes geocoding.

Progress and developments in 2018

19. Concerning progress and developments in 2018 the three areas where most work was reported included statistical units, maintenance and quality.

• Statistical units, in particular definition and implementation of enterprise groups, profiling of large and complex enterprises/enterprise groups, implementation of automatic profiling and automatic delineation of enterprises.

• Maintenance: in addition to regular maintenance, several countries mentioned improvement and modernisation activities in their SBR. The development of e-forms for profiling, setting up of new platforms for data exchange and introduction of a unique identification number for enterprises were stressed as important.

• Roles of the SBRs, mainly for the production of business demography statistics, linking the SBRs with other registers (address registers, building registers etc.), source for businesses censuses and for reducing the response burden.

Future plans

20. For future plans work on the following issues was the most frequently reported:

• Maintenance, including improvements of SBR-web-based interfaces, compliance with international standards and recommendations, enlargement of the SBR functionalities for the maintenance of enterprise groups and, for European countries, improvement of the statistical processes regarding the EuroGroup Register;

• Quality, with emphasis on preparation for the coming update/revision of the classifications of economic activities (both at international and national level), further development of profiling activities, increase the use of administrative sources and of computer-assisted telephone interviewing (CATI) surveys for the maintenance of SBRs as well as the continuation of work on determining the institutional sector.

Main challenges

21. The three main challenges reported were roles of the SBR, statistical units and data sources.

• Roles of SBR: including introduction of geographical coordinates in the SBRs, Use and integration of administrative and other non-survey data, integration of SBRs with social and building registers, improving the role of the SBR as base for the production of sampling frames and, for European countries, development of the national SBR and the EuroGroups Register under the scope of the European System of Interoperable Business Registers (ESBRs) as well as implementation of the changes related to the new European Framework regulation integrating business statistics (FRIBS).
• *Statistical units*, in particular implementation of the enterprise definition, updating and maintaining the Enterprise Group Registers, improvement of profiling activities, implementation of the FRIBS Regulation, delineation and implementation of the enterprises and enterprise groups, integration of the kind of activity units.

• *IT-considerations*, with focus on the creation a live register using data models and interfaces of SBRs by national statistical offices internal users, re-engineering of the SBRs, setting up of online system for the data collection and building new IT platforms (for communication with administrative data producers and for the production of frames for survey statistics).

22. The summary of the CPRs is considered a very useful tool for providing overview of current developments, plans and challenges in the area of SBRs and giving direction for future work and priorities. The group of experts noted that it would be useful to receive CPRs from more countries. Efforts should be made to increase the number of countries that submit CPRs through the Wiesbaden Group, working groups, task forces etc.

E. Session 4: The role of the statistical business registers in the modernisation and integration of statistical production

**Session Chair: Roland Sturm, Germany**

23. The session included presentations by Netherlands, Sweden and Kazakhstan.

24. The presentation from the Netherlands illustrated a case study of good cooperation and data sharing of a national statistical office and a central bank for the quality improvement of the SBR regarding the delineation of institutional units, including special purpose entities, which has proved to have significant impact on the Dutch economy.

25. The Swedish presentation introduced a professional procedure for quality assessment and quality improvement of the SBR, ASPIRE (A System for Product Improvement, Review and Evaluation), which is a quality evaluation tool applied by Statistics Sweden. The quality evaluation also involves consultation with external experts and users of the SBR. ASPIRE has been helpful to allocate resources to areas with the highest value to the users of the SBR.

26. The representative of Kazakhstan explained the role of the SBR not only in economic statistics of the statistical office but also in cooperation with other bodies of the government. Future priorities include increased use of administrative data, the development of a legal identifier and establishing enterprise groups in the SBR.

F. Session 5: Web portals for business respondents

**Session Chair: Mari Rantanen, Finland**

27. This session included presentations by France, Italy, Denmark and Canada.

28. The web portal for business respondents is a specially designed website with a consistent “look and feel” that brings together in a uniform way business surveys, the business’s own information held by the NSO, customized dissemination of statistical data for the business, just to mention a few examples (see Figure 1). All surveys and services would otherwise be different web entities at various URLs.

29. The access to the web portal is controlled. The business authorises a person (employee) to answer certain data on the business. The role of the user determines which content can be seen on the portal and added to the portal. After authentication of the business and the authorized person, the web portal offers so-called front office services for the business and back office services for the NSO. The portal may also use a search engine’s application programming interface (API).

Figure 1
Examples of services for businesses (front office) and for NSO (back office) made available on the web portal for business respondents

France described their new data collection platform which consists of a standardised easy-to-use questionnaire design tool, a metadata store, an automated questionnaire generator, and a survey portal.

Italy analysed the impact of Istat’s Business Portal launched first in 2013 and fully operational since 2016. Italy has experienced an increase in the response rates and improved quality of the SBR updates (timeliness and completeness), but also a surge on number of notifications from the businesses.

Denmark made a summary of the evolution of digitalization of business surveys from paper surveys all the way to today's single-point of digital communication and single-point of entrance to all public sector services for businesses. The presentation envisioned tomorrow's modular digital questionnaires, automated data collection and the use of new (big) data sources that have not been either stored nor collected for statistical or administrative use originally.

Canada made a compact description of portals that are currently existing, being developed and being envisioned. Currently, Canada includes an SBR module to each business survey which has improved the updatedness of sample frames. A “whole of government” solution to activity coding is under development including an interesting plug-and-play API to learn continuously from all searches made by business respondents. Lastly, Canada described ideas of either allowing self-profiling of the business’s structure on the web portal or alternatively using open data for profiling and automating the process.

Among the key highlights from the session were:
- The whole of government approach: in France the questionnaire design and generation for all ministerial surveys; in Denmark the Digital Post Box and a single-point of access to all public sector services for businesses; in Canada updating the industry code (NAICS) centrally for the whole administration.
- Cooperation in the portal design: open source development with international peers or national development in cooperation with other government agencies.
- Big trends in business surveys: from tailor-made to standard ready-to-wear, from isolated independent surveys to a centralized survey management.
- Strengths of the web portal: coherent interface of surveys, harmonization of not only the lay-out but also variables and definitions, avoidance of duplication of communication, reduced number of surveys, decreased response burden.
G. Session 6: Production of business demography and entrepreneurship statistics by us of the statistical business registers

Session Chair: Caterina Viviano, Italy

35. The session included presentations by Austria, United States, Bureau of Labour Statistics (BLS), Italy and OECD.

36. The presentations focused on two issues: 1) the role of the SBR in the production of business demography and entrepreneurship statistics, and 2) production of new and more timely business demography indicators.

37. The question of how to increase the consistency and coherence between business demography and SBR when the SBR is not the only used source was also investigated. The presentation of Austria showed how different thresholds, methods and coverage can be sources of inconsistency. The treatment of demographic events was also underlined as they represent a main component for the production of business demography statistics.

38. The US BLS presented a number of long time series of business demography and entrepreneurship statistics, produced by exploiting BLS’s linked employer employee database (LEED). In the LEED, each establishment is linked with employees; longitudinal analysis allows identifying business demography data. Questions arose during this session related to problems of coverage in particular with respect to self-employment; in that area additional administrative sources (tax data) can help.

39. The presentation by OECD highlighted the need for more granular business statistics. Important insights can be obtained by breaking down series according to relevant characteristics and by looking at distributions (median, quantiles, skewness), for instance in productivity analyses and in analysing firm heterogeneity. A first OECD-Istat collaboration analysed differences in productivity growth across branches. To explore feasibility and identifying best practices a questionnaire could be circulated later. Since there are other ongoing micro-data linking projects (i.e. TEC statistics), it was stressed not to overburden the countries.

40. The presentation by Istat showed some results of a preliminary study of using leading business cycle indicators for business demography. More timely business demography statistics is a challenge and many organisations are considering the possibility of estimation. In addition to the current quarterly new creations and bankruptcies data supplied by European countries, the business cycle indicators demonstrated the ability to forecast especially deaths rate in manufacturing sectors.

H. Progress of work of the United nations Committee of Experts on Business and Trade Statistics (UNCEBTS)

41. UNSD introduced the work of the Committee followed by presentations of the task team on exhaustive business registers (Netherlands); the task team on business dynamics, demography and entrepreneurship (Mexico); and the task team on capacity building on business registers (Palestine).

42. The Committee was established by the United Nations Statistical Commission in 2018 to coordinate and guide the development of business and trade statistics. The work of the Committee focuses on the five strategic areas: methodological development, coordination, capacity building, communication and data development. Workstreams were identified for the following priority areas: globalization and digitalization, well-being and sustainability, business dynamics, demography and entrepreneurship, exhaustive business registers and capacity building. The Committee is developing a strategic vision for the future of business and trade statistics that is agile and responsive to the new emerging issues. The Committee actively explores collaboration opportunities with existing mechanisms at regional and international level to avoid duplication of work and utilising synergies.

43. The priority areas of the task teams include: identification of a set of key indicators on business dynamics, demography and entrepreneurship which considers new and emerging
determinants of entrepreneurial activity (e.g. innovation and communication technology, research and development); development of a strategic view on SBRs to become more exhaustive in a changing economy and better tailored to statistical production. This includes, among other things, the development of a Global Group Register (GGR), unique identifier and the development of a spine model for SBRs; and the development of a maturity model of SBRs to help countries improve their registers and identify tools (IT, training material etc.) that can be offered to countries. An assessment of country practices is planned in these areas in order to take stock of the current implementation in countries and identify gaps.

I. Session 7: SBRs and Globalisation

Session Chair: Pierrette Schuhl, France

44. The session included presentations by Mexico, Eurostat, France, Germany and Slovenia.

45. The economic globalisation is main challenge for SBRs and for economic statistics in general. The measurement of the economic activity and data collection are becoming more complex and difficult, and in part extend beyond the borders of countries. The globalization is accompanied by the development of increasingly complex global production arrangements and structures of enterprise groups, where the challenge of the SBR is to collect and provide coherent and relevant information in a continuously changing world. Statistical offices need to consider this when developing methods and practices, while national differences in terms of legislation, institutional set-up and structural diversities put limits on obtaining international comparability.

46. The presentation by Mexico focused on the challenges to link information from different sources in countries without a common, unique identifier, with the aim to estimate the effects of international trade on domestic production and employment to support better informed decision-making.

47. The presentation by France and the first presentation by Eurostat and France demonstrated how European work on the EuroGroup Register (EGR) and the use of profiling methods could provide better observation of economic activity at national and European level. In particular, the presentations demonstrated how EGR data could help improving the quality of national business statistics and that the internal organization of the groups is mainly determined by the activity.

48. Two presentations by Germany and Slovenia questioned the choice of the statistical unit with regard to different needs and aims. The rich discussion that followed showed the interest of a future session on this topic.

49. The second presentation by Eurostat presented the central role of business registers in the coordination and governance of statistical activities to better measure MNEs’ activities.

50. To conclude, complex global production systems and multinational enterprise group structures requires the development of new methods and practices to understand them, in particular the profiling method and the choice of the better pertinent statistical unit to observe the globalization of the economy are important.

J. Special Session for countries of East Europe, Caucasus and Central Asia (EECCA) and South East Europe (SEE)

Session Chair: Volker Taube, European Free Trade Association (EFTA)

51. The special session for countries of Eastern Europe, Caucasus and Central Asia and South East Europe was organised as part of the Programme to Support Statistical Capacity Building in Eastern Europe and Commonwealth of Independent States Countries (the ECASTAT programme) and with the support of EFTA.

The statistical definition and measurement of the informal sector
52. In his presentation, Michael Frosch gave an overview of the ILO statistical framework for measuring employment and, in particular, employment in the informal sector. The conceptual definition of the informal sector emanates from the Resolution concerning statistics of employment in the informal sector (adopted by the International Conference of Labour Statisticians (ICLS) in 1993), which has been align to the ICLS resolutions concerning statistics of work, employment and labour underutilization (2013) and statistics on work relationships (2018). An operational definition will consider criteria concerning the legal organisation, lack of complete set of accounts, having some market production and not being registered. Informal employment are thus persons employed in an informal household market enterprise. Both SBRs and establishment surveys tend to underestimate the informal sector, the SBR since informal sector enterprises typically are not registered, and establishment survey often exclude units with few employees, which are not registered or have no “visible” premises. ILO has initiated work to revise the standards for statistics of the informal sector with the view to present a proposal for revised standards at the ICLS in 2023.

Quality markers of the Swiss business register

53. Natalia Dorontsova, the Swiss Federal Statistical Office, presented the quality indicators (quality markers) that has been developed to monitor and assess the classification of the statistical units of the Swiss SBR according to economic activity. The quality marker is derived by combining two factors: 1) The time elapsed since the activity code was assigned to the enterprise where it is assumed that the reliability of the activity code is decreasing over time. 2) A measure of the reliability of the source of the activity code; for instance, the reliability of the classification code obtained from the VAT register may be considered 100% but only 80% if the information is obtained from a light profiling of the enterprise. While the factors are configured manually, the quality markers are calculated automatically and provide an easy tool to monitor and assess quality of the classification of the statistical units in the SBR and gives guidance on where to focus quality assurance resources.

Requirements for the SBR to produce business demography and entrepreneurship statistics

54. The presentation slides on the requirements for the SBR to produce business demography and entrepreneurship statistics were prepared by Norbert Rainer. The presentation explains the main indicators of business demography, the birth rate, the survival rate and the death rate, and how these may be broken down by economic activity or other variables. The presentation outlines why the SBR is a good basis for producing business demography and lists the requirements of the SBR for this purpose. It explains the key continuity rules that should be applied for recording and following enterprises over time and the requirements for the SBR. The presentation also provides definitions of main business demography concepts. Recommended further reading includes Guidelines on the use of statistical business registers for business demography and entrepreneurship statistics (UNECE 2018); Eurostat-OECD Manual on Business Demography Statistics (Eurostat 2007) and Guidelines on Statistical Business Registers (UNECE 2015).