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Directorate G: Global Business Statistics
Unit G-1: Business statistics - coordination and registers

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Task Force on Statistical Units

Meeting 18-19 March 2015

Eurostat, Bech Building,
5 rue Alphonse Weicker, Luxembourg
18 March 2015 9:30h – 19 March 2015 13:30h

Room BECH B2/404

Chairperson: Martina Hahn

Item 6 of the agenda

Timetable for the implementation of statistical units in business registers and business statistics revised

Proposal of the sub-group of the Task Force on Statistical Units composed of

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Timetable for the implementation of statistical units in business registers and business statistics

~~At that moment~~Due to a different interpretation of the definitions of Regulation No 696/93 ESS Member States are currently at different levels of implementation of statistical units in the business register and business statistics, ~~this being connected among others with different interpretation of the Regulation 696/1993. After~~ ~~the works~~ undertaken by ~~ESSnetsEurostat and Member States~~ in the framework of the MEETS Programme and subsequently by the Task Force Statistical Units convinced that there is a need for, this interpretation, taking into account changes in the legal and economic environment, ~~is to be a more consistent interpretation and a more coordinated the implementation of the definitions of statistical units—more coordinated.~~

In order to streamline this process, different stages of implementation are distinguished ~~to which member states might classify themselves~~ and each Member State has to evaluate at which stage it currently is. These stages focus on the delineation of enterprise (groups) only. It should be noted, however, that the delineation of further statistical units is necessary to comply with European business statistics and National Accounts/Balance of Payments.

For these different stages of implementation, some indicative maximum periods of times needed to reach the next stage are given; ~~so, for one country, the total time for a country to get a business register allowing the production—produce of business statistics using the correctwith the expected statistical units depends on its~~ ~~the~~ starting point i.e. the stage at which ~~where~~ the country is at the present time. The implementation does not have to be treated as a step-by-step approach but the works on the preparation of the subsequent stages may ~~might~~ be conducted in parallel—on the preparation of the subsequent stages. It would especially be useful to start profiling activities as soon as possible even if the country is still at “stage 0” (see below) ~~In this works~~ The guiding principles for implementation of the statistical units should be taken into account throughout this process.

Each country has to make a self-assessment to determine of in which the stage of implementation of the definitions of statistical units it is. This will then be that it belongs and that is the starting point for ~~the it~~ co-ordinated implementation path, co-ordinated among domains - as set out below.

When the ~~level-stage~~ 3 of implementation is reached, ~~it allows for beginning of the~~ implementation of statistical units in business statistics ~~may begin, on-under~~ the assumption that the delineated enterprises are of satisfactory quality and ~~cover a in-the~~ sufficient ~~share~~ ~~scale-for-of~~ the national economy. This timetable indicates the maximum expected deadlines for reaching certain stages but in all cases the quality of business register and business statistics is the priority. Deviations from these maximum deadlines have to be justified.

Stage 0 – the business register contains legal units only, there ~~are~~ no identified links between them to delineate neither enterprise groups nor enterprises– at the national level delineated. Profiling activities should have already started.

Stage 1 – the business register contains legal units and enterprise groups at national level as well as and identifies ~~se~~ links between them, but the enterprises are not delineated; this stage ~~may~~ takes maximum 12 months to be implemented starting from stage 0. Profiling activities continue.

Stage 2 – ~~a logical distinction is operated~~ Changes are implemented in the statistical business register so that it is possible at national level to distinguish and identify between legal units, enterprises, and enterprise groups within the statistical business register; this stage ~~may~~ takes maximum 24 months to be implemented starting from stage 1. Profiling activities continue and have started to become a process.

Stage 3a – some enterprises are delineated in the business register and annually updated but the delineation method applied is not fully consistent with the agreed operating operational rules ~~and profiling~~. This stage is not ~~at the~~ stage that ~~should be used by~~ Member States that assess themselves as being in stage 0 to 2 should pass on ~~in~~ their pathway towards the correct implementation of statistical units in the business register, but it ~~may~~ might be the starting point for some countries that have already implemented enterprises in their business registers on the basis of their national rules that ~~are~~ might be not fully consistent with the agreed operational rules ~~or profiling requirements~~. In such cases ~~there might be necessary~~ some adjustment of ~~the used~~ methods used or delineated statistical units could be necessary. These countries might can aim at adjusting to stage 3b or try to reach directly stage 4. Profiling activities continue and have started to become a process.

Stage 3b – some enterprises are delineated in the business register and annually updated in a way fully consistent with the agreed operating rules ~~and profiling~~.

To reach this stage from stage 2 or 3a ~~may~~ takes maximum 12 months. Profiling activities continue and have started to become a process.

Stage 4 – all enterprises in the business register (and not only the largest ones) are delineated and annually updated in a way fully consistent with the agreed operating rules ~~and profiling~~, to the largest extent possible taking into account costs and burden connected with ~~the~~ delineation as well as ~~and~~ the improvement level of the quality of business register and business statistics that ~~will~~ ~~is~~ ~~to~~ be achieved by delineating. Profiling has become a process.

Timetable of implementation in business statistics

Implementation of statistical units in the business statistics, ~~first~~ as delineated in the business register according to the Regulation 696/1993 and taking into account the agreed operational rules, ~~can~~ ~~be~~ ~~started~~ ~~at~~ ~~the~~ ~~moment~~ ~~when~~ the implementation of statistical units in the business register is judged to be satisfactory from the point of view of the quality of the business register and cover a sufficient share of the necessary scale of implementation ~~for~~ the national economy. This is also connected with the fulfillment of quality requirements of particular business statistics domains.

The beginning of implementation in business statistics is expected for the reference year t+1 after implementation is reaching stage 3 in the business register in the year t.

The timetable of implementation in business statistics is crucial from the point of view of users, both internal (for instance national accounts) and external ~~ones~~ (including Eurostat). Availability of consistent and comparable statistics in all business statistics domains, based on statistical units consistently delineated, allows ~~the~~ an appropriate use and analysis of data.

The recommended approach connected with the timetable is an “big bang” approach coordinated at national level. In all annual and short term business statistics, statistical units consistent with Regulation 696/1993 are implemented for the same reference year. It means that the implementation is started with production of data ~~from~~ for short term statistics and ~~then~~ it is then followed by annual statistics.

In case this approach is not possible, statistical units consistent with Regulation 696/1993 are ~~at to be~~ first implemented in SBS and this implementation is then followed ~~over~~ the next 1-2 years by other business statistics domains (annual and short term).

~~The issue of the proposed years for implementation in business statistics is to be discussed/solved by the Task Force.~~

Timetable of implementation in national accounts

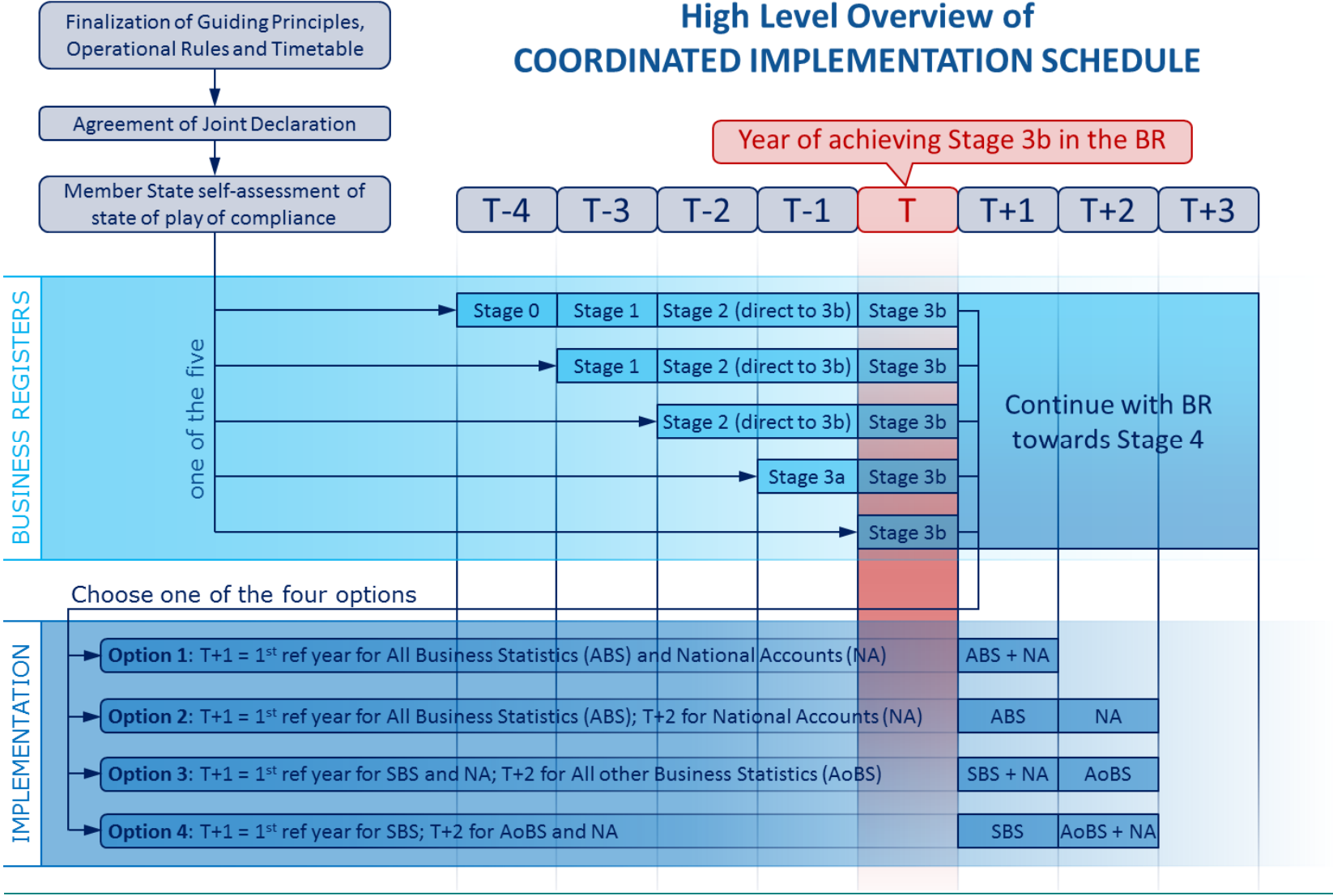
Implementation in national accounts should follow the implementation of statistical units in business register by applying them in the preparation of results. There ~~could be indicated~~ are two possible quality-approaches connected with the timetable.

The first approach is a ~~“big bang”~~ coordinated approach at national level assuming the implementation of statistical units in ~~business-national accounts~~ statistics for the same reference year as- for business statistics. In case the implementation ~~is~~ first in SBS and then in the following years in other business statistics domains was chosen ~~first, followed by other business statistics domains in the following years~~, the implementation in national accounts is done for the same reference year as for SBS.

The less strict approach is the one in which national accounts follow the implementation in the business statistics (or in SBS) for the t+1 reference year. The coordination of the implementation in business statistics and national accounts isare ideally associated with a national accounts benchmark revision.

Annex - Supporting Timetable for the Implementation of Statistical Units

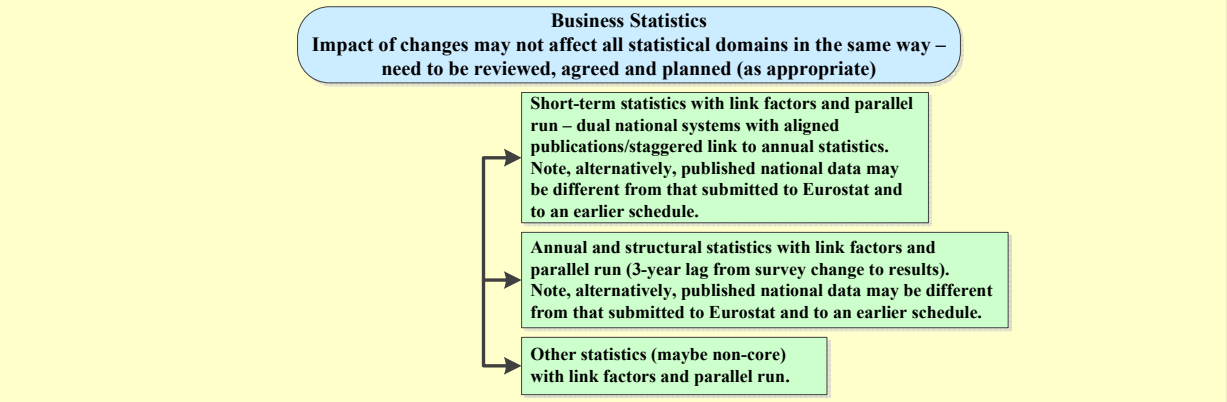
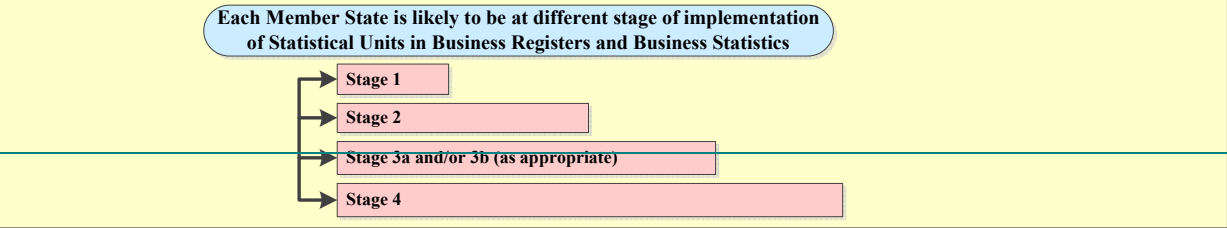
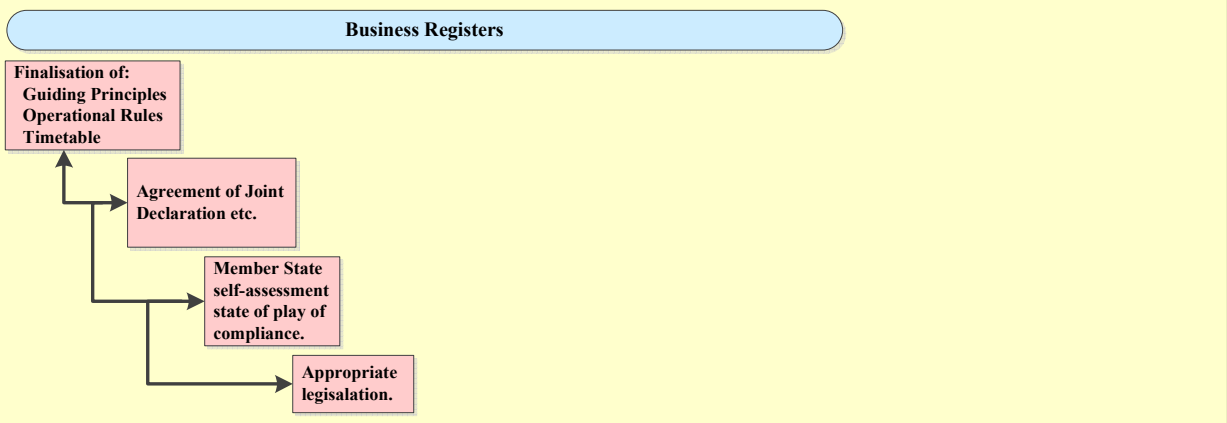
High Level Overview of COORDINATED IMPLEMENTATION SCHEDULE



HIGH-LEVEL OVERVIEW OF COORDINATED IMPLEMENTATION SCHEDULE

Compiled by
Sanjiv Mahajan
March 2015

Based on agreement and acceptance of:
Joint Declaration between BSDG and DMES
Guiding Principles
Operational Rules
Timetable



National Accounts, Balance of Payments and other users