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Outputs of the Montenegrin Statistical Business Register

Abstract

The statistical business register in the Statistical Office of Montenegro has been in use since 2007. His role in the statistical process itself changed. Also, since its introduction to the present day numerous changes have been recorded, starting with sources used for updates, variables, classifications, and application. The main source for updating of this registry is the Tax Authority. We collect all legal data from the Tax Authority, as well as data on the number of employees (monthly) and data on turnover and VAT (quarterly). In addition, for the updating of the Statistical Business Register, feedback from all statistical surveys carried out at the Statistical Office is used as well as data collected through the implementation of special Business Register surveys. Special Business Register surveys are: Survey on the business of medium and large enterprises, Survey on the business of enterprises that have units in composition and Survey on the business of enterprise groups. Compilation and comparison of data obtained from these sources from the Statistical Business Register produce certain outputs. In addition to the production framework for all statistical surveys, outputs from Statistical Business Register also result in the following analyzes and publications: Number and structure of business entities (each year in March for the previous year), Number of established and inactive enterprises, Number and structure of enterprises owned by foreigners (natural and legal persons). In the past years, the analysis of the enterprises on the basis of ownership, by sex, was also taken as output from the Statistical Business Register. In all these analyzes and publications, data are published exclusively at different levels of aggregation (by municipalities, by sector of activity, by size class, etc. The role of all these outputs is to meet the needs of users, both internal and external. Some of them started to work at the request of many users. These analyzes and publications are published in accordance with the dissemination strategy and are undergoing a certain procedure before publication.

Keywords: statistical business register, outputs, analyzes, publications, user needs, dissemination etc.

1 Introduction

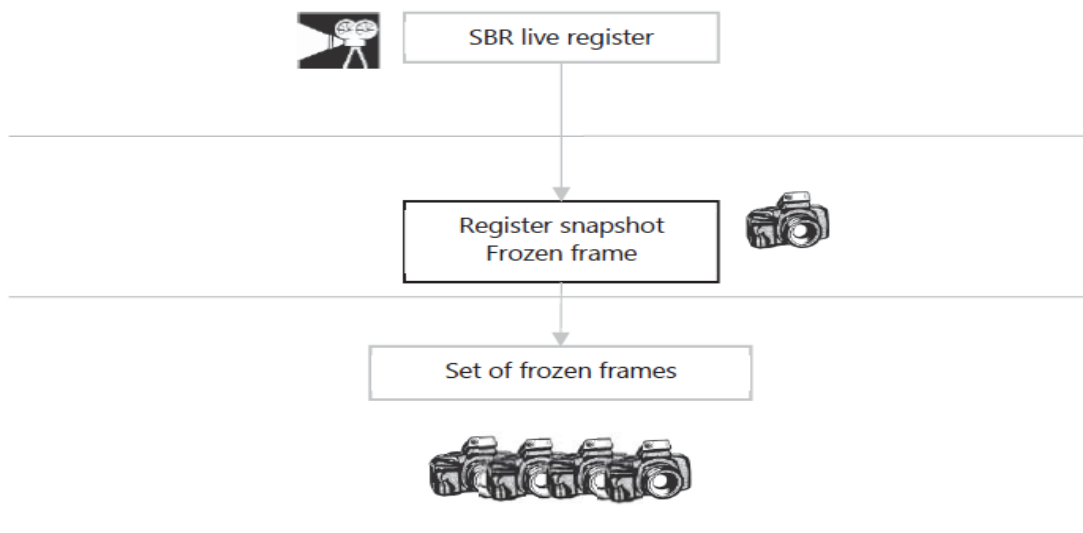
Statistical Business Register of Statistical Office of Montenegro was created in early year 2007. A few years ago, Statistical Business Register has served only as directory for finding a list of legal and statistical units and their addresses. Its main function was to provide identity numbers and contact details for the implementation of statistical surveys.

Today, we have, as a main goal, the tendency that Statistical Business Register be a backbone in the production of economic statistics. Statistical Business Register is the main source for selection process of observation units for most statistical surveys. It is the basis and framework for statistics which provides information on a country's economy and contributes to the description of the situation and development of the economy by providing a basis for the delineation and definition of the population. It covers all active business entities carrying out activity in the territory of Montenegro. An important area of Statistical Business Register application is that it provides a data comparison between countries due to standardization of definitions, variables, units, etc.

Statistical business register is a live register in which the composition and characteristics of units continuously change over time.

If all statisticians in an Statistical Office use the units which are created in the Statistical business register than the backbone role of the Statistical business register can be best fulfilled as of specified reference dates. Statisticians should use and for them must be possible to view and retrieve a common set of units from the SBR as of specific reference date. This indicates the need to derive a “frozen version” of the population of statistical units - a composition of units that is valid for a particular moment in time for use by all surveys. This is realized by taking a “snapshot” of the live register.

For better understanding of this very useful is picture which is given in Guidelines on Statistical Business Registers:



Main purposes of the Statistical business register are:

Role	Purpose
1 SBR live register	Provide the gateway between data from various input sources and statistical units
2 SBR register snapshot and frozen frame	Provide populations of statistical (and possibly administrative) units at fixed points in time
3 SBR survey frame	Provide a set of statistical units for a survey, valid for a specified reference period, with all characteristics required.
4 SBR survey support	Monitor survey response and measure and control response burden
5 SBR statistics	Produce statistics based directly on the SBR
6 SBR information source	Provide lists of enterprises and their locations and possibly other characteristics
7 SBR international data exchange	Facilitate coherence in international statistics
8 SBR in modernization of statistical production and services	Promote integration of SBR within the production processes for economic statistics

Statistical business register is composed of two parts: the administrative and statistical part. The administrative section consists of:

- legal units, and

Statistical section consists of statistical units such as: Enterprise (the biggest number of cases in BR are where is legal unit = enterprise but lately we had more cases where is more than one legal unit create an enterprise); local units; KAU units and Enterprise Group.

There is always a consistency between these two parts of the registry. Administrative sources and different statistical surveys are used for updating this register. Statistical Business Register provides the link between administrative data input and statistical data output.

There are variables for each of these units in the statistical business register, as follows: identification; stratification; demographic; relational.

For legal unit there are only identification and relational variables, as follows:

- **Identification** (identity number; the name of the unit; address; the name of the responsible person; form of organization; type of ownership; capital; the status of activities; links with other registers; legal registration date) .

- **Relational** (the registration number which is associated with other registers and identity number of the enterprise that is controlled by the legal unit) .

The data for all these variables are taken from administrative sources. Beside each name is a source of information and the date to which data refers. Also, in order to enable tracking of demographic changes, there is a field which checks every kind of change occurred during the "life" of the unit.

Identity number of the legal unit has 8 digits and is taken from administrative sources. It was produced by the module 11 and used by all administrative bodies, which greatly facilitates linking data from different sources. This number is used in all administrative bodies and is used as a key variable for connecting data.

For the statistical unit **enterprise** - includes the following variables: **Identification** (identity number, the name of the unit, address, number of local units, number of units KAU, name of the executive director, name of the owner and status of activity); **Stratification** (identification code of the primary activity, description of the primary activity, identification of first secondary activity, description of first secondary activity, identification code of ancillary activity, description of ancillary activity, the activity sector, number of employees, financial exchange, VAT paid, assets, class size enterprises and % stake).

There is a lack of a variable for the institutional sector that is being introduced.

Also, in addition to any data for these variables is the source and the date on which the data refers.

Demographic variables are: the date of legal registration, the date of commencement of the activity and the date of end of some or all activities.

Relational variables - identification number of the legal unit

Each enterprise in the statistical business register has one "fictitious" local unit which is the headquarters of company - enterprise. Other local units are the actual units. For the statistical local unit in the statistical business register there are following variables: Identification (identity number of the local unit, the name of the local unit (if needed), municipal - code and the name of the municipality, settlement - code and name of the settlement, registered office of the enterprise - street and number, the address for receipt of mail - street and number, telephone number, fax number, e-mail address, web address and activity status.

Also, in addition to any data for these variables there is the source and the date to which data refers.

Stratification are variables are number of employees (divided by gender), turnover and activity codes of activities carried out.

Demographic variables are date when the local unit was founded and date of termination of the unit.

Relational variable is registration number of the enterprise to which the unit belongs.

We don't have any administrative source for data about local units and then we conducted special BR survey every second year.

A statistical unit – Enterprise Group in the statistical business register includes the following variables: Identification (identity number of the group, identity number of the head of the group (if in Montenegro and if abroad), the name of the group, type of group (National/foreign), address, e-mail address, web address and activity status.

Stratification variables are: primary activity at the group classification level, secondary activity at the group classification level, number of employees and consolidated turnover.

Demographic variables are : date of the establishment of the group and date of termination of the group.

Relational variables are: the country in which enterprises that belong to the group are located, identity number of the enterprise that is the direct owner of the enterprise in the country, identity of the enterprises belonging to the group and names of enterprises belonging to the group.

Statistical business register lists all units and variables set by the European Commission Regulation no. 177/2008.

All data changes along with the date changes and data sources are stored in the historical database tables in the statistical business register.

The impact of globalization imposes more extensive coverage of statistical units and their coverage. The project of modernization proposes a new Statistical Business Register whose main objectives will be to simplify concepts, procedures and systems, make this register more accessible and user friendly, facilitate its integration with other major economic survey systems, and improve the timeliness of the data through quicker updates. Also, very important part of modernization will be producing of more data from Statistical Business Register on different levels of aggregations.

For years, there is a growing need for a geospatial analysis. The geospatial information needs to be updated regularly. Ideally, on this basis, the SBR should be able to provide information on the distribution of economic activity and enterprises/establishments by geography. A GIS can present this information as geo-statistical cartography. We, also, have a plans to introduce geospatial information in our Statistical business register.

2 The sources of the statistical business register maintenance

Maintenance of statistical business register is not a single process. It is continuous activity. The frequency of the register maintenance is a crucial point in the timeliness of the register. We maintained our statistical business register from different sources with different periodicity. In that case the most frequently used source determines the frequency of the register maintenance.

The register sources can be administrative registers, register surveys, feedbacks from survey results and other sources. The main sources of the statistical registers are the administrative

sources. Everything because we need to have less response burden. For our Business Register, the most important source is the Tax Authority register. Except this register we, also, use Central register of business entities and Central Bank register. Also, we have signed Agreements of understanding with Montenegro Business Alliance and Montenegrin Employers Federation.

	The most commonly used sources	
	<i>Primary source</i>	<i>Secondary source</i>
Legal unit	Central Register of Business Entities	Tax Authority
Enterprise	Tax Authority	Statistical surveys-SBR survey, SBS, survey about wages and earnings, Central Bank
Local unit	SBR survey	Feedback gained from different statistical surveys
Enterprise group	SBR survey	Central Bank

In Montenegro the registration is operated by a so called “one-window” system where the unit is recorded in one authority and other authorities connected to the “one-window” and the statistical register can see and use directly the registration information.

Second source for maintaining of Business register are business register surveys. We have two regular BR surveys: Survey for medium and large enterprises and Survey for legal units which has local units and one pilot survey for Enterprise Group. The primary purpose of these surveys is to collect information to update business register information. They can be used to control the quality of the business register, to get information on the activity of the units or the changes of their certain attributes. Also, we use this surveys because we don't have available administrative source for this information which are very important.

Very important for maintenance of business register are feedbacks from statistical surveys. The data collection is built on the survey frame that is based on the register. During the data collection phase, accessing the respondents might reveal the error of the survey frame attributes, the changes of the address, name, the activity state, activity type or other attributes of the respondents. The same feedback can be gathered from questionnaires returned. We, also, use Internet, web pages and yellow pages for business register maintenance.

3 The users of Statistical Business Register data

Different types of users who need different statistical data for different purposes define different needs for statistical data.

We can divided users of Statistical Business Register data on the internal and external users.

Internal users are all statistical surveys.

The external users of Statistical Business Register data can generally be divided into seven groups:

- Government institutions
- Local government units
- NGOs, research centers national and international)
- International organizations and embassies
- Financial institutions
- Enterprises, associations, chambers
- The public (media, educational institutions and citizens)

4 Outputs of the Montenegrin Statistical Business Register

"Before SBR data are disseminated their quality needs to be assessed. The data should be sufficiently accurate, timely and coherent that they adequately represent the actual economic structure in the country in those aspects that are disseminated. They should provide good coverage of the economy, industrial structure, regional distribution, size structure, etc."¹.

"In summary, before publishing a set of tables, whether in print or in electronic form, confidential cells need to be identified and the values in these cells suppressed. Then the tables need to be reviewed".²

The basic products of dissemination of statistical data are printed and electronic publications, statistical data organized in databases that are available on the website, or internally within the databases available to the statisticians.

MONSTAT is aware of the obligation to present statistics to the public in a systematized and classified manner.

The main role of the SBR is that it represents a base used to carry out statistical surveys. As each year, its significance grew, so more and more outputs began to grow. In order to get a

¹ Guidelines on Statistical Business Registers, UNECE.

² Guidelines on Statistical Business Registers, UNECE.

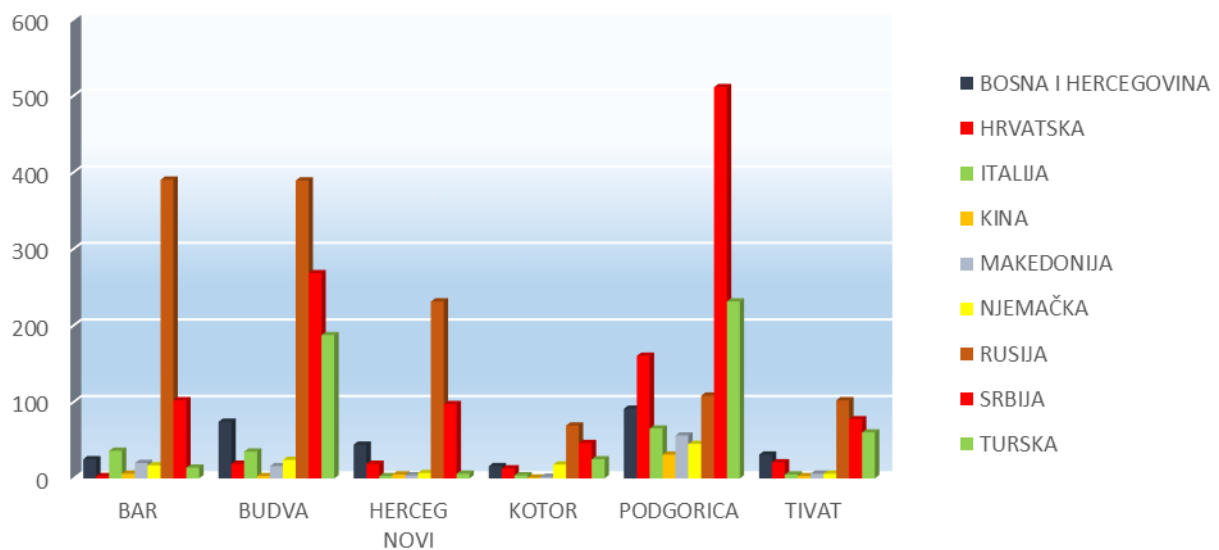
framework for statistical surveys, a compilation of micro data from various administrative sources and special BR surveys is performed in the SBR.

For years, from our Statistical Business Register produced outputs for the purpose of satisfying different user needs.

One of the most important outputs of SBR is a frozen frame produced at the end of each year which is using by all statistical surveys. Frozen frame contains all units which were active during the observed year and he is available for all internal users depending of their needs.

From the Statistical Business Register we have outputs, which are available through publication, about number and structure of business entities in Montenegro, in March of the current year for the previous year. In this publication we have data about number of enterprises in total, number and structure of enterprises by municipalities, number and structure of enterprises by activity sector, number and structure of enterprises by type of ownership and number and structure of enterprises by size class. All this data are aggregated on different levels of aggregations because all individual data are strictly confidential according to Law on Official Statistics and System of Official Statistics. Also, all registers which are conducted in our Statistical Office are used exclusively on statistical purposes. All data in this publication are illustrated through tables and graphs.

Second publication is about number and structure of enterprises which has foreign owners, in July of the current year for the previous year . Here we have data about number and structure of enterprises which has foreign owners, in total, by municipalities, by sector of activity, country of origin of the owner, by sectors of activity and country of origin of the owners, combined and by municipalities and country of origin of the owners, combined. All this data are aggregated on different levels of aggregations. All data in this publication are illustrated through tables and graphs, as for example (Foreign-owned business entities monitored by municipalities and country of origin of the owners):



Then, we publish from the Statistical Business Register, release about newborn and inactive enterprises. All this data are aggregated on different levels of aggregations, by municipalities and by activity sector. All data in this publication are illustrated through tables and graphs

In previous years, driven by the demand of users, we published data on owners of active enterprises, observed by gender.



MONTENEGRO
STATISTICAL OFFICE
Department for Registers

OWNERS OF BUSINESS ENTITIES IN MONTENEGRO,
BY GENDER



It was very interesting output of the Statistical Business Register. This publication contained data about: Business Entities in Montenegro; Owners of Business Entities in Montenegro, Total by Gender; Owners of Business Entities in Montenegro by Gender and by Municipalities; Owners of Business Entities in Montenegro by Gender and by Activity Areas and Owners of Business Entities in Montenegro by Gender and by Size Class.

The Statistical Office (hereinafter: MONSTAT) is the main bearer and disseminator of statistical data and responsible expert carrier, organizer and coordinator of the official statistics system and represents the official statistics of Montenegro in the international statistical system.

In order to comply with international standards, MONSTAT insists that the entire process of organizing, collecting, processing and disseminating data be accompanied by clearly defined

procedures adopted at MONSTAT level. By increasing the transparency of not only its data, but also the entire process of obtaining statistical data, MONSTAT increases the credibility and reputation of statistics in the public.

The goal of the Dissemination Strategy is to make the statistics available to all users in a comprehensible manner at the same time and under the same conditions. It is intended to serve as a guide to the implementation of the strategic approach to building dissemination policy in MONSTAT through five strategic objectives:

1. Creating a demand for MONSTAT data (recognition and image)
2. Continuous availability of data
3. Clarity of data
4. Data distribution channels
5. Communication with users / User type and type of needs.

Distribution Channels are:

- WEB site
- E-mail, telephone and mail
- Information line
- Publications and Communications
- Combined distribution channels
- The library

All SBR publications fully fit into the dissemination strategy of MONSTAT.