

# **Terms of reference of the Wiesbaden Group on Business Registers**

## **DRAFT**

8 June 2016

### **1. Background**

1. The Wiesbaden Group on Business Registers is a city group under the United Nations Statistical Commission. The Group is engaged in the development, maintenance and use of statistical business registers (SBRs). It discusses conceptual and methodological issues in relation to SBRs and the development and implementation of good practices in the production of SBRs. The Wiesbaden Group supports the development of SBRs for economic statistics by discussing and developing the role of the SBR in data collection and data integration as well as in the production and dissemination of statistics.

2. The Wiesbaden Group was established in 1986 under the name Roundtable of Business Survey Frames. The first meeting of the Group took place in 1986 in Ottawa, Canada. After the 20th meeting of the Group in Wiesbaden, Germany, in 2007, the Group was renamed to the Wiesbaden Group on Business Registers, to conform to the convention of naming of United Nation city groups. The change of name also reflected the changing role of SBRs, which are increasingly providing the backbone for the production of economic statistics and considered sources of statistical information in their own right.

### **2. The roles of the statistical business register**

3. The SBR plays a central role in the production of economic statistics, both in terms of the way the statistics are produced and in terms of the quality of the statistics that draw on information from the SBR.

4. Traditionally the main function of the SBR has been to provide a population of statistical units from which frames and samples for surveys can be drawn. This continues to be an important role of the SBR. A high-quality SBR with good coverage and updated information is an important prerequisite for producing coherent and high-quality economic statistics. Today, however, the SBR fulfils also other important roles. SBRs have become crucial for the use and integration of information from administrative registers and other sources, which plays a growing role in the production of official statistics. Also, a well-developed SBR with a comprehensive list of enterprises and other statistical units and information about their characteristics, can be used as a source of statistics in its own right. For example, business demographics may be derived directly from the SBR or new statistics can be produced by combining information from the SBR with information from administrative sources or other statistical registers.

5. The SBR provides a common architecture for data collection and data integration, data processing and dissemination. The SBR thus facilitates development of efficient statistical production processes and coherence across statistical outputs. The SBR as a unifying tool is therefore also pivotal in modernising national statistical systems in order to produce official statistics more efficiently and in an integrated way. A high-quality SBR and continuous maintenance and development of the register are also

required in order to meet evolving user demands for relevant, coherent, detailed and timely economic statistics in the future.

### **3. The work of the Wiesbaden Group**

6. The Wiesbaden Group discusses all issues concerned with the different stages of production of the SBR, including data sources and data integration, the coverage of the SBR, the quality of the SBR, statistical units, production and maintenance of the SBR and the various uses of the register.

7. *Data sources and data collection methods* are crucial for the coverage and quality of the SBR, including the timeliness of the register. In this context the Wiesbaden Group addresses the use of information from surveys and censuses, ways of electronic reporting by respondents and so-called profiling of large and complex units like (multinational) enterprise groups. The Group also considers use of alternative data sources, in particular administrative registers, and their potentials for improving the quality and coverage of the SBR and reducing response burden. The Group also discusses how to establish cooperation with administrative register holders to facilitate data sharing and use of administrative data directly for updating the SBR or for validating information in the SBR obtained from other sources (e.g. surveys or censuses). This also includes discussion of legal and confidentiality issues.

8. To serve its purposes the SBR ideally should cover all economic units that are active and resident in the country. The Wiesbaden Group discusses ways to improve the *coverage of the SBR* for the various sectors of the economy, including also the informal sector, how to integrate units from e.g. the agricultural sector (which traditionally has been left out of most SBRs), and associated challenges with identifying and recording the units resident in the country, their classification and sectorisation. The economic globalisation, and in particular the activities of multinational enterprise groups, possesses a specific challenge since they are not covered in their entirety in the national SBR. The Wiesbaden Group therefore also supports international cooperation that facilitates better measurement of globalised activities.

9. The *quality of the SBR* is crucial and has direct implications for the statistics that draw on the information of the register, up to the gross domestic product of the national accounts. The Wiesbaden Group discusses all dimensions of quality in relation to SBRs, like relevance, accuracy, timeliness, punctuality, accessibility, comparability and coherence. The Group shares experiences and best practices on how to measure and improve the quality of the SBR, including development of indicators for the different quality dimensions, use of new IT and software to improve quality, implementation of quality assessment frameworks and associated resource and cost implications.

10. The *statistical units* are the basic building blocks of the SBR. The Wiesbaden Group discusses definitions and delineations of statistical units such as establishments, enterprises and enterprise groups, and how to implement these in practice for various types of entities and for different sectors of the economy. This includes discussion of the different sources for recording and measurement of statistical units, profiling and alignment with SNA.

11. The *production and maintenance of the SBR* is a complex, ongoing process involving data collection and integration of data from different sources, including subject area surveys, censuses and administrative registers. The Wiesbaden Group

discusses strategies and policies for maintaining the SBR and strengthening the role of the SBR as the backbone in the production of economic statistics. This includes methods for data sharing and data integration, use of classifications and how to deal with changes in classifications, how to utilise new software to make the production process more efficient, development of integrated systems for business and economic statistics, and use of metadata in the SBR. The Group also discusses production related issues that are specific for SBRs in countries with less developed statistical systems.

12. The *use of the SBR* covers a variety of purposes. The Wiesbaden Group discusses the role of the SBR in providing population and sampling frames for survey based statistics and in monitoring and reduction of response burden. The Group facilitate sharing of best practices in dissemination of SBR information for statistical use, including for analytical and research purposes. The issue of confidentiality is crucial in all uses of SBR and the Group discusses how to provide data to users while maintaining confidentiality.

13. The Wiesbaden Group also discusses development of statistics based directly on the SBR. One example may be business demography statistics derived from the SBR, or information in the SBR may be linked with information from administrative data sources or other statistical registers to produce business demography statistics, entrepreneurship indicators or longitudinal studies. In this connection the Group discusses issues such as typology and methods and practices for estimation of demographic events (e.g. death and birth of enterprises).

#### **4. The mandate of the Wiesbaden Group**

14. The Wiesbaden Group on Business Registers carries out its activities within the Terms of Reference endorsed by the UN Statistical Commission. The Group reports on progress of work to the UN Statistical Commission.

#### **5. Purpose and objectives of the Wiesbaden Group**

15. The purpose of the Wiesbaden Group is to support development and implementation of sound methods and good practices in national statistical offices for the establishment, maintenance and improvement of the SBR. To this end, the Group has the following objectives:

- a) To provide a forum for exchanging good practices in developing, maintaining and using SBRs and support joint initiatives.
- b) To discuss and clarify conceptual issues and support the developments of new methods and techniques related to SBRs.
- c) To develop the role of the SBR as backbone in the statistical production by providing a common architecture for data collection, data integration and dissemination.
- d) To provide guidance on the role of the SBR in the modernisation of the statistical production process with the view to increase efficiency and statistical coherence.
- e) To discuss and develop the role of the SBR in integrating data from administrative sources, other statistical registers or survey for the production of economic statistics.

- f) To discuss ways to meet the challenges of economic globalisation in terms of the production of the SBR as well as the growing need for international comparable statistics.
- g) To support the implementation of relevant international recommendations and good practices on SBRs.

16. The Wiesbaden Group discusses topics which have direct or indirect effects on different areas of economic statistics. When relevant, experts from these areas may be invited to contribute to the work of the Group.

17. It is recognized that the Wiesbaden Group has a dual role. On the one hand, to facilitate exchange of experiences and new developments at an advanced level, while on the other hand, being a global forum, the Group should also address needs and interests of countries with less developed statistical systems.

## **6. The activities and outputs of the Wiesbaden Group**

18. The main activity of the Wiesbaden Group is the biennial meetings that attract experts in business registers from national statistical offices, international organisations and researchers. Participation in the meetings is on a voluntary basis. Participants, however, are expected to contribute at an expert level to the programme of the meetings.

19. From 1986 until 2008 meetings were organized annually. After 2008 the Group has met every second year. The meetings are organized around national progress reports on developments of the SBR and a number of sessions on selected substantial topics. The reports are disseminated via the Wiesbaden Group website on CIRCABC (<https://circabc.europa.eu/w/browse/5003aea0-6de2-47eb-9d0b-465cd12bad24>).

20. Participants, including experts and researchers, can attend the meeting of the Wiesbaden Group, while their views will not necessarily represent the official position of their respective countries. Any country can express interest in the work of the Wiesbaden Group and ask to participate in its meetings. As a result of the broad group of participants the topics addressed at the meetings of the Wiesbaden Group tend to cover a wide range of areas.

21. The most visible outputs of the Wiesbaden Group are the papers and presentations submitted and discussed at the meetings, including country progress reports. The reports of the meetings aim to identify recommendations of sound methods and good practices in maintaining, developing and using the SBR. The proceedings of the meetings are targeted at experts in business registers, but are also relevant for senior managers in statistical offices in the process of developing statistical business registers.

22. The Wiesbaden Group were consulted in the production of the *Guidelines on Statistical Business Registers* (2015). Participants at the Wiesbaden Group meetings in 2012 and 2014 contributed with substantial inputs and directions to the final version of the Guidelines.

23. The Group's website (<http://unstats.un.org/unsd/methods/citygroup/wiesbaden.htm>) hosted by UNSD provides information about the Group's work and previous and upcoming meetings. Papers and proceedings of the meetings are available on the websites of the host organization and the Eurostat CIRCABC website.

24. The Wiesbaden Group meetings are organized every second year by a Steering Group, alternating with the biennial meetings of the Group of Experts on Business Registers jointly organized by UNECE, Eurostat and OECD. The meetings of the Wiesbaden Group and the Expert Group complement each other. To ensure close coordination of work and avoiding duplication of efforts the Steering Group prepares and oversees the activities of both groups and ensures that the agendas of the meetings are coordinated.

## **7. The Steering Group of the Wiesbaden Group**

### **The tasks of the Steering Group**

25. The Steering Group guides the work of the Wiesbaden Group and ensure coordination and cooperation with other relevant areas of statistics.

26. The tasks of the Steering Group are:

- a) To assist the host of the upcoming Wiesbaden Group meeting on matters relating to the agenda, including organisation of the meeting into suitable sessions, drafting of the call for papers and selection of papers for presentation.
- b) To promote and disseminate the outputs of the Wiesbaden Group.
- c) To take initiatives to follow-up on the research agenda on SBRs.
- d) To be forward-looking and identify emerging user needs and new challenges concerning SBRs and their role in the production of economic statistics.
- e) To ensure coordination and cooperation with relevant international initiatives and organisations, including the meetings of the Expert Group on Business Registers jointly organised by UNECE, Eurostat and OECD.
- f) To prepare reports of the work of the Wiesbaden Group for the UN Statistical Commission.

27. While usually session chairs will be asked to produce a summary of the discussions and conclusions reached during the sessions of the Wiesbaden Group meeting, the host organization is responsible for drafting the final report of the meeting.

28. To facilitate participation of developing countries the Steering Group should examine the possibilities of obtaining funding support from regional or international organisations.

### **Membership of the Steering Group**

29. The Steering Group comprises experts from national statistical offices and international organisations. Members of the Steering Group are the host organization of the upcoming Wiesbaden Group meeting, in 2016 Japan, Austria, France, Germany, Mexico, United Kingdom, United States (US Bureau of Labor Statistics and US Census Bureau), Eurostat, OECD, UNECE and UNSD.

30. The Steering Group is chaired by a representative of the host organization of the upcoming Wiesbaden Group meeting.

31. The Steering Group aims for a broad representation of countries from different regions of the world. The Steering Group is open to participation from interested and committed organisations and may invite experts from national statistical offices, academia and international organisations to contribute to its work programme.