Session 3: Administrative Data/ Agencies/ Units

The Selection of Administrative Data Sources for Statistical Business Register Updating in BPS – Statistics Indonesia

25th Meeting of the Wiesbaden Group on Business Registers
- International Roundtable on Business Survey Frames
Tokyo, 8 – 11 November 2016

- **Business growing & changing so fast** → census-based frame become unfavorable → SBR was built

- **SBR:** The use of administrative data

  - ☑ <u>The opportunity</u> : public administration system improved

    (Bureaucratic reform, One Data Indonesia)

  - ☒ <u>The challenges:</u>

    - electronic registration system not fully implemented
    - the registration and business licensing spread over agencies
    - no single unique business identifier
    - the different count published

- Of sources available → **Which one to select?**

FIVE STEPS FOR THE ADMINISTRATIVE DATA SOURCES SELECTION

1. Delineating unit coverage and content of SBR

2. Determining the criteria of administrative data of SBR

3. Gathering information of potential administrative sources

4. Evaluating the advantages and disadvantages of each source
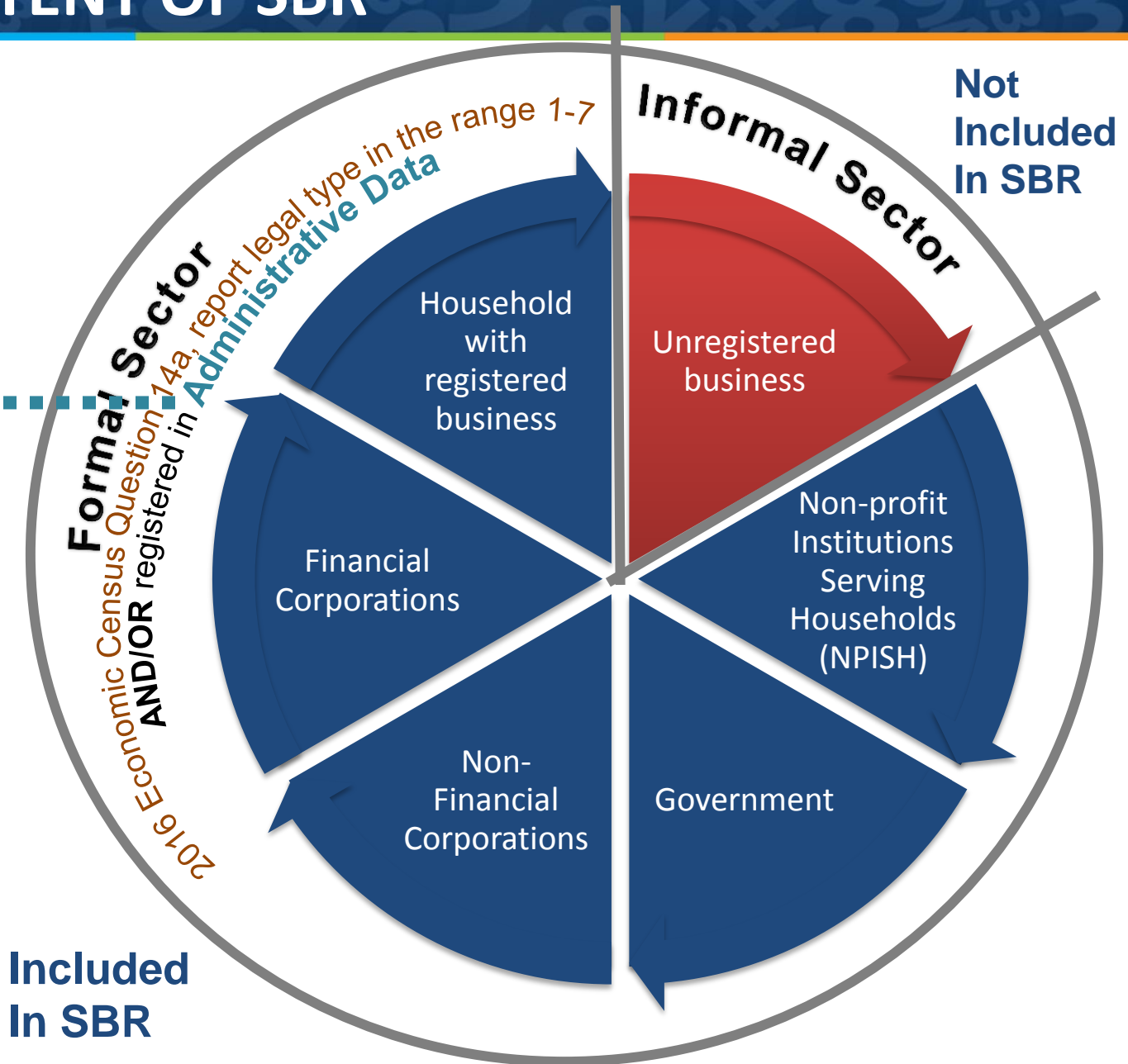
5. Proposing the selection

a) BPS – SBR Coverage of Units

What Admin Data?

b) BPS – SBR Content

Not Included In SBR

Informal Sector

Formal Sector

2016 Economic Census Question 14a, report legal type in the range 1-7 AND/OR registered in Administrative Data

Household with registered business

Unregistered business

Financial Corporations

Non-profit Institutions Serving Households (NPISH)

Non-Financial Corporations

Government

Included In SBR

There are **two type** of administrative data source:

- **Primary admin sources** : new units (*potential birth*) for the SBR.

- **Secondary admin sources:** content of the SBR

How To Determine Primary Administrative Source?

— **Access, coverage, and content** are the most important factors in the sense that they are largely determined by **legislation**, which cannot readily be changed.

— Other factors, such as **quality of data and relationship**, are less important in the sense that they can be improved.

AfDB Guidelines For Building Statistical Business Registers, 2014

Goal: potential sources of <u>new units</u> (potential birth) and update for SBR.

Selection Criteria:

1. **Coverage :** *broadest coverage of active legal units*

2. **Content:** *sufficient information* on
   - activity status,
   - economic activity, and
   - size for sampling purposes,
   - contact information.

3. **Access:** *accessible by NSO*

AfDB Guidelines For Building Statistical Business Registers, 2014

- **Goal:** improving coverage and/or content provided by the primary source.

- **Condition:**
  - no resulting duplication

- **Criteria:**
  - fulfill *at least one the following criteria*:
    1. They share a **common unit and identification scheme** with the primary source.
    2. They contain **very small numbers** of units.
    3. They refer to a set of legal units that **does not overlap** with that of the primary source.

AfDB Guidelines For Building Statistical Business Registers, 2014
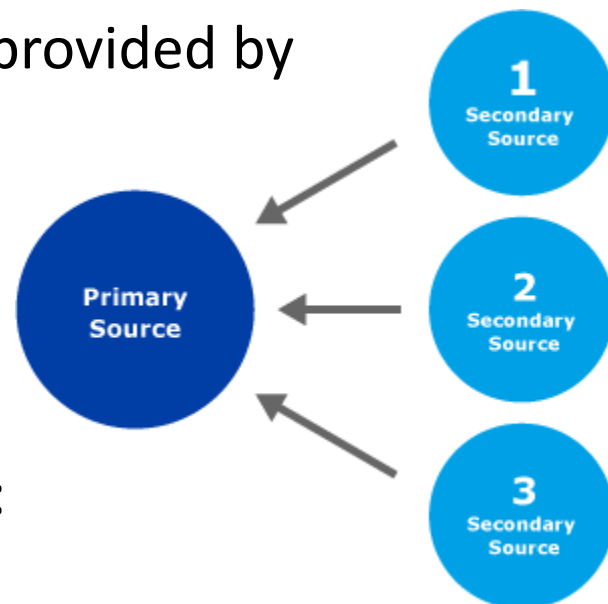
3. GATHERING INFORMATION OF POTENTIAL ADMINISTRATIVE SOURCES

List of questions

- Coverage
- Content
- Access
- Secondary sources criteria

List of potential sources

- Associating the typical administrative sources with the Indonesian agencies
- Shorlisted

Administrative sources profiling

- regulation
- registration form
- registration manual
- registration flow diagram
- registration requirement
- the online registration system

Agency confirmation

- Meeting arrangement
- BPS: SBR Introduction
- Agency: Presentation of Admin Data
- Discussion (Q&A)

National Statistics System

- SBR BPS Socialization Seminar to Ministries, Associations, and Businesses
- Coordination meeting with Related Agencies
- Expansion of the existing Memorandum of Understandings (MoUs) with Agencies

List of Questions for Each Source

No.	Questions	Criteria
1	What type(s) of unit (i.e., business) registers? Please specify classification of unit by: - legal type (what particular legal type: limited liability company, firm, cooperatives, etc.)? - sector (all institutional sector or only particular sector: corporations, non-profit institutions, governments, households with unincorporated business)? - economic activity (all or specific industry)?	Coverage, Secondary sources criteria (mutually exclusive)
2	Why does a unit register? Is registration voluntary? -If not under what conditions must a unit register? -Please specify the regulation (if any)	
3	What are the identification scheme(s) and code(s) used to identify the units and/or to link them to other data sources?	
4	How many units are registered presently?	

List of Questions for Each Source

No.	Questions	Criteria
5	What data are collected from and about the registered units (source record layout)?	Content
6	Is there any requirement for the registrant to update registration data they provide? -If so what is the requirement?	
7	Is there any indication of the size of the unit at the time of registration? -If so what is (are) the indicator(s) -If so, is this measure of size ever updated after registration? If so in what circumstances?	
8	Is there any indication of the activity status (not yet in production, in active production, temporarily not in production, not in production, dead) of the unit at the time of registration? -If so, is this measure of activity status ever updated after registration? If so, in what circumstances?	
9	In which locations are units registered? Headquarter offices? Provincial offices? District offices?	Access
10	Is the registration process via a website or via a face to face interview? Any other means?	
11	Are all registration data wherever collected available in a central database?	
12	In principle, can BPS have access to the unit data in this database? -If so, how would access be made available? At what frequency?	

Typical Admin Sources Used for SBR

No	Typical Admin Sources	No	Associated Indonesian Agencies
1	Tax registers	1	**Directorate General of Tax, Ministry of Finance**
2	Business registration/ license register	2	**Investment Coordinating Board (BKPM)**
		3	**Directorate of Legal Entity, Ministry of Law and Human Rights**
		4	**Ministry of Cooperatives and Small Medium Enterprises**
		5	**Ministry of Trade**
		6	**Financial Services Authority (OJK)**
		7	Ministry of Manpower
3	Social security registers	8	**Social Security Administrator for Employment (BPJS Ketenagakerjaan)**
		9	Social Security Administrator for Health (BPJS Kesehatan)
		10	Ministry of Social
4	Water supply and electric association registers	11	**Electricity company (PLN) - State Owned Enterprise**
		12	Water supply company (PAM/ PDAM/ Jasa Tirta) – State Owned Enterprise
5	Government units registers	13	Directorate General of Treasury, Ministry of Finance
		14	**Ministry of State Owned Enterprise**
		15	Directorate General of Civil Registration, Ministry of Home Affairs

Typical Admin Sources Used for SBR

No	Typical Admin Sources	No	Associated Indonesian Agencies
6	Non-profit unit registers	16	Directorate General of National Unity and Politics, Ministry of Home Affairs
		17	Ministry of Youth and Sports
7	Telephone directories	**18**	**Yellow Pages Indonesia**
8	Published business accounts	19	Indonesian Stock Exchange (PT Bursa Efek Indonesia)
9	Industry association registers	20	Indonesian Employers/ Entrepreneurs Association (APINDO)
10	Company/ trade associations and chambers of commerce registers	**21**	**Indonesian Chambers of Commerce and Industry (KADIN Indonesia)**
11	Central banks	**22**	**Indonesian Central Bank (Bank Indonesia/ BI)**
12	Sector specific sources	23	Ministry of Health
		24	Ministry of Education and Culture
		25	Ministry of Research Technology and Higher Education
13	Payroll, taxation and accounting service providers	26	Indonesian Associations of Profession
14	Commercial data providers	27	PT Globe Asia Indonesia (GlobeAsia)
		28	PT Mediatrac Sistem Komunikasi (Mediatrac/ Dattabot)

- Coverage by legislation
- Coverage by total number of units
- Content
- Access
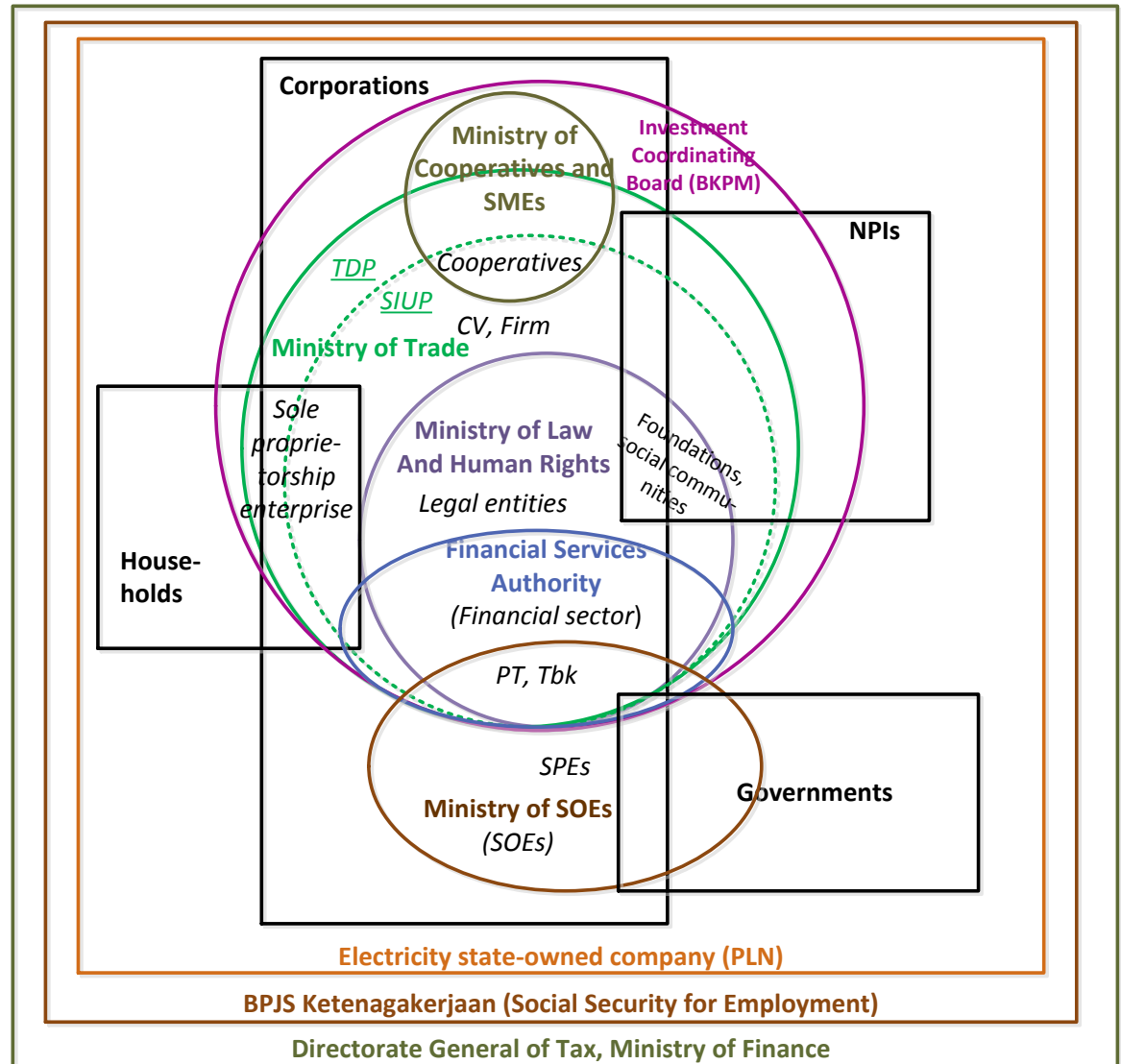
5. PROPOSING THE SELECTION

Rank	Agency	Criteria	Positive points	Negative points	Comments
1	Directorate General of Tax	Coverage	....	....	• Best fit for primary administrative source • Negotiation for confidentiality issues needed
		Content	....	....	
		Access	....	....	
2	Electricity state-owned company	Coverage	....	....	Potential for primary administrative source, can be interim solution if access to tax data can not be made in short term.
		Content	....	....	
		Access	....	....	
3	BPJS Ketenagakerjaan (Social Security)	Coverage	....	....	Potential for primary administrative source, it can be used together with tax data to improve coverage and content of tax data since the taxpayer ID recorded into the database.
		Content	....	....	
		Access	....	....	
4	....	Coverage	....	....	Potential for secondary administrative source
		Content	....	....	
		Access	....	....	

- **The selection is difficult** without **complete information** of the sources.

- **BPS administrative data study** are **comprehensive and practical to be implemented** by other NSIs to learn about administrative data sources in specific country.

- **BPS-SBR Desire Future**:

  BPS to have **TAX OFFICE** data as SBR primary admin data.

  1. **Broadest coverage** of units and **sufficient content.**

  2. There are **two type of tax data** can be used for SBR updating:
     - Tax registration / taxpayer data
     - Tax transaction data

  3. Taxpayer Identity Number (NPWP): **most-agencies** used

Thank You

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