

TWINNING CONTRACT

BA 12 IB ST 01

Support to the State and Entity Statistical Institutions, phase VI



STUDY VISIT REPORT

on

Enterprise Groups

Activity 2.1.10

Study visit to Croatia

19-20 December 2016

Version: Final

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List of Abbreviations

BHAS	Agency for Statistics of Bosnia and Herzegovina
BiH	Bosnia and Herzegovina
CBBH	Central Bank of Bosnia and Herzegovina
EC	European Commission
EU	European Union
FBiH	Federation of Bosnia and Herzegovina
FIS	Institute for Statistics of Federation of Bosnia and Herzegovina
MS	EU Member State
RSIS	Institute for Statistics of Republika Srpska
RTA	Resident Twinning Adviser

1. General comments

The purpose of the study visit was to get acquainted with the organization of Enterprise Groups (EG) in the Croatian Statistical Business Register.

The hosts from the Croatian Bureau of Statistics were Mrs. Zrinka Pavlović and Mrs. Zrinka Uglešić.

The study visit program was designed and implemented in accordance with the current issues of the SBR in BiH.

The program included: presentations, discussions on the practical issues concerning the background of Croatian SBR, like sources, organization, cooperation, updates and others, and the opportunity of comparison of the SBR in BiH and the Croatian SBR.

Every planned topic was accomplished.

The participants would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the study visit and stay in Croatia.

This views and observations stated in this report are those of the participants and do not necessarily correspond to the views of EU, BHAS, FIS, RSIS or Statistics Croatia.

2. Lessons Learned

The study visit program included presentations regarding the implementation of EG in the Croatian Statistical Business Register. The following topics were particularly discussed:

- Terminology on enterprise groups with practical examples
- Identification of units in the Statistical Business Register – challenges and practical examples
- Enterprise group data in the Statistical Business Register – data model on enterprise groups
- Step-by-step demonstration of registering enterprise groups in Croatian Statistical Business Register

3. Conclusions and recommendations

Zrinka Uglesic gave a general overview of matters regarding the Enterprise Group from a broader, regulatory perspective. She provided detailed information on the global group head (GGH), global decision centre (GDC), multinational enterprise groups (MNEs), truncated enterprise groups (TEGs), foreign controlled enterprise group, all resident enterprise group and domestically controlled enterprise group.

She has also explained the way Croatia implemented the enterprise groups in SBR, identifying it as the main task of the BR component in the project Multi-Beneficiary Phare 2006 (2008-2009). In the period 2014-2016 Croatia participated in Eurostat's MB grant called "Improving national business registers and testing of European profiling". In that period, Croatia enlarged the database of enterprise group in SBR and improved the interface.

Further, she summarized the undertaken activities: e.g. study of statistical legislation and the appropriate legal regulations (Croatian and EU); identification of possible connections and relations between ownership and control of the company within the group according to Croatian legislation and practices; definition of the basic concepts (enterprise groups, connections within the group, etc.); identification and evaluation of possible sources of data; and definition of the legal framework for the establishment of procedures supplying data on enterprise groups.

In addition, she explained the sources of information for the SBR in detail, adding that there are no surveys for enterprise groups being currently conducted and no private sources are being used. Every source contains a piece of information depending on the type of a legal unit and that individual source is not sufficient by itself. All sources should be combined together instead.

She described the situation regarding the SBR and enterprise groups. EG are an integrated part which enable registration of multinational and all-resident enterprise groups; establishing links between legal units; external entities introduced in order to record information about foreign owners or foreign units owned by Croatian companies as well as natural persons as ultimate controlling institutions; registration of non-resident units that are linked to resident units by control or ownership relationships; keeping all data on EGs contained in the Regulation 177/2008.

She also took the time to show the participants the application of the Croatian enterprise group in the SBR. She explained all variables in the application and how and when they need to be updated. She also showed step-by-step demonstration of registering enterprise groups in the Croatian SBR.

Zrinka Pavlovic presented and explained the data model on enterprise groups. She emphasized the importance of creating the enterprise group in the business register. She also suggested the possibility of making the foreign entity first, so it can be linked with the (main) resident legal unit. Then the type of enterprise group should be decided: foreign controlled, domestic controlled or fully domestic group.

Annex 1. Programme

AGENDA

Day 1 - Monday, 19 December 2016

9:00 – 9:30	Introduction – opening remarks, aims and objectives of the study visit, participant expectations	<i>Žaklina Čizmović Zrinka Pavlović Zrinka Uglešić Svjetlana Vukadin</i>
9:30 – 10:30	Statistical units in the Statistical Business Register	<i>Zrinka Pavlović Zrinka Uglešić Svjetlana Vukadin</i>
10:30 – 10:45	Coffee break	
10:45 – 12:00	Terminology on enterprise groups with practical examples	<i>Zrinka Uglešić Svjetlana Vukadin</i>
12:00 – 13:30	Lunch break	
13:30 – 14:30	Identification of units in the Statistical Business Register – challenges and practical examples	<i>Zrinka Uglešić Svjetlana Vukadin</i>
14:30 – 14:45	Coffee break	
14:45 – 15:45	Enterprise group data in the Statistical Business Register – overview	<i>Zrinka Uglešić Svjetlana Vukadin</i>
15:45 – 16:00	Review of day 1	<i>Zrinka Uglešić Svjetlana Vukadin</i>

Day 2 - Tuesday, 20 December 2016

9:00 - 9:15	Introduction – reflection on day 1 and objectives for day 2	<i>Zrinka Pavlović Zrinka Uglešić Svjetlana Vukadin</i>
9:15 – 10:30	Enterprise group data in the Statistical Business Register – data model on enterprise groups	<i>Zrinka Pavlović Zrinka Uglešić Svjetlana Vukadin</i>
10:30 – 10:45	Coffee break	
10:45 – 12:00	Step-by-step demonstration of registering enterprise groups in Croatian Statistical Business Register	<i>Zrinka Uglešić Svjetlana Vukadin</i>
12:00 – 13:00	Lunch break	
13:00 – 14:00	Searching for publicly available data on enterprise groups on the Internet	<i>Zrinka Uglešić Svjetlana Vukadin</i>
14:00 – 14:15	Final remarks	<i>Žaklina Čizmović Zrinka Uglešić Svjetlana Vukadin</i>

Annex 2. Persons met

Agency for Statistics of Bosnia and Herzegovina

- *Mr Vedad Osmanović – Senior Advisor for IT in Brčko District*
- *Ms Dženita Mustafić – Specialist for Statistical Business Register*

Institute for Statistics of Federation of Bosnia and Herzegovina

- *Ms Enisa Rastić – Head of Department for Administrative and Statistical Business Register and Economic Classifications*
- *Ms Razija Bičakčić – Senior Advisor for Application Development*

Republika Srpska Institute of Statistics

- *Mr Mladen Marić – Head of Department for Data Entry, Development of Applications and Administration of Databases*
- *Ms Nataša Teinović – Senior Statistician for Statistical Business Register*

Croatian Bureau of Statistics

- *Ms Žaklina Čizmović – Director of Statistical Infrastructures Directorate*
- *Ms Zrinka Pavlović – Head of Statistical Business Register, Classifications, Sampling, Statistical Methods and Analyses Department*
- *Ms Zrinka Uglešić – Senior Advisor at Statistical Business Register Unit*
- *Ms Svjetlana Vukadin – Advisor at Statistical Business Register Unit*