TWINNING CONTRACT

Support to the Statistics

Kosovo

MISSION REPORT

on

Design of Database System for the Statistical Business Register (SBR)
Component no 3.5.2.2

Mission carried out by
Søren Netterstrøm, Statistics Denmark and
2-6 March 2015

IPA 2012

Author's name, address, e-mail (keep the relevant information)

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List of Abbreviations

GSBPM	Generic Statistical Business Process Model
KAS	Kosovo Agency for Statistics
KBRA	Kosovo Business Registration Agency
NACE	Statistical Classification of Economic Activities, latest version revision 2
SBR	Statistical Business Register
SBS	Structural Business Statistics
SIDA	Swedish International Development Cooperation Agency
SQL	Structured Query Language
STS	Short Term Statistics
TAX	Kosovo Tax Authorities
ToR	Terms of Reference
VAT	Value Added Tax

1. General comments

This mission report was prepared within the Twinning Project „Support to Statistics". It was the fifth mission to be devoted to the Statistical Business Register (SBR) within Component 3 of the project.

The purpose of this mission was to review work done by KAS since the last mission and to prepare KAS for the work to be carried out during the coming month.

The consultant would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the stay in Kosovo, and which highly facilitated the work of the consultants.

This views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of EU, KAS or Statistics Denmark.

2. Status

Since last mission KAS has obtained data from KBRA in a suitable format for downloading into the SQL server and containing all the required attributes for Legal units and local legal units.
The data had been downloaded into tables for import.
There had been some progress with writing the procedures for using the data.
Data had also been obtained from Tax authority, both financial statements (including data from turnover and employment, and a table linking fiscal numbers and business register numbers (legal units) including information about which legal unit tax uses as the primary unit.

3. Examining data from KBRA

The data from KBRA contains information about succession (succeeded by and succession of). It was anticipated that these data may be useful in order to keep enterprises the same over time even when the legal unit changes.
These data was analysed and they seem not to contain the information need by SBR for the purpose of following Enterprises over time. Consequently the procedures have been modified not to use this data (in an automated way). The data is kept as information on the legal units and may be used for manual inspection if needed. It may be considered to create messages in the cases where new units are created with information that they are succession of another unit, but this has not been implemented so far.
There are some minor problems with some attributes that for a very small number of units contains code values where the code is not a valid code. So far these codes are changed to unknown. The issue should be addressed later and it should be ensured that they are not due to changes in the code lists used by KBRA.

4. Procedures for update

The procedures for update produced so far were examined and the opportunity was taken to provide further hands-on training that produced most of the missing procedures. It also gave the opportunity for a re-examination of the planning and introduce changes as indicated above for succession.

The procedures were tested on a limited set of data from KBRA (all units started in January or February 2015) and it was demonstrated, how this procedures can be used for the initial load of SBR as well as for subsequent updates.

5. Main unit for fiscal unit

The question was raised what legal unit should form the base for the enterprise, when more than 1 legal unit has the same fiscal number and are considered a single enterprise. In the model so far, the first unit detected would become the source of the enterprise, other units would become base for local units.

However it was argued by KAS that a better way of doing this would be to utilise information from Tax about what unit Tax considers the main unit. This seems only to require a smaller change in the procedures. As it has anyway be decided, that only legal units having a fiscal number will be used for statistical units (Enterprise) and the data from tax will be available at soon as a fiscal number is assigned, there seems not to be any delays in creating statistical units from taking this path.

6. Unfinished transactions and messages.

A brief look was taken at the problem of handling unfinished transactions. So far, there are only a few cases, where such transactions will be generated and the number of transactions is assumed to be very small. It seems logical to create some procedures (based on those already produces for update) that can be used to handle unfinished transactions. One example may be, that it is not possible to determine if a legal unit should create an enterprise (and local unit) or be connected to an existing enterprise (by forming a local unit). The decision has to be taken manually after examining the data available, however, once the decision is taken, the process is similar to what should be done when the decision is taken automatically. It is however important, that unfinished transaction are taken care of and at least is solve before next round of updates takes place.

Messages are of a different nature. They are mostly designed to inform surveys utilising a unit that is being changed. How this information will be presented has to be decided.

7. Loading data from KBRA and statistical sources.

With a few changes pending (main unit from Tax), the procedures for loading data from KBRA is now ready, as is the procedures for update of units with a few exceptions.

The next stage will be to utilise information obtained by the Business Register Survey, the Structural Business Survey and Short Term Statistics. It is anticipated that these data is available in a format that can be loaded into the database.

Procedures similar, but not identical, to those created for updating from KBRA should be established. The data from the Statistical surveys will be used to update Enterprises and Local Units only, potentially to create new local units where needed. If several statistical surveys has the same unit but conflicting contact information or activity codes, rules for handling such cases should be established.

During the first load of these data there may be problems in locating the proper statistical units, as the units of the surveys has been taken from Legal Units (and Local Legal Units). However, in the future, base for these surveys should be the statistical units and consequently the problem should disappear.

It is important to establish these procedures as automated as possible as the three surveys mentioned will be important sources in order to improve the data quality of SBR, most important activity codes and they should continuously be used for updating SBR.

Other surveys may also contribute better information about certain units. However they are mostly small surveys with a limited number of units, so it may not be worth the effort to build automatic procedures, but just to handle these cases manually.

5. Online application

The purpose of the online application was briefly discussed. It is agreed, that the main purpose will be to allow the staff of Business Statistics and National Account with a tool to examine the content of the register. There should be a limited number of ways to search for units (ID-number, address (settlement), activity code etc. One a unit are located, it should be easy to follow links to other units, i.e. from Legal unit to enterprise to local unit or from legal unit to local legal unit.

In a future mission the first draft for such an application will be drawn. As the application will have a limited number of users (and limited usage) at least the first version may be 'quick and dirty'. Before the database is established it is probably going to be difficult to enter in a meaningful dialog with the users about their requirements. However, when there is some experience to draw on, such a discussion should be taken and then a revised application may be produced if needed (and resources are available).

6. Enable users

Once the database is established, it should be possible to create a number of model spreadsheets that will extract data from the SBR. This could be a list of Enterprises with a specific activity code or in a specific set of settlements (of a certain size) or it could be number of enterprises by activity code etc.
Some key users in Business Statistics and National Account should then be trained in using these model spreadsheets and creating their own (using the database views they are based on). This will both free up IT-resources in SBR and enabled users must faster and flexible access to such data.
If needed such training could be including in a future mission when the system is ready.

7. Time plan

Due to the very limited resources at KAS it is still difficult to follow the schedule of the time plan. The goal that Mr. Kastrati will be able to use 50% of his time on the development of SBR is kept. However, some of the future activities may not require as many resources as originally estimated, as they may reuse work already done (or at least use that as a point of departure). If the project is prolonged into beginning of March 2016, it may still be possible to reach to goal set up for this project.
During the debriefing the idea came up to reshuffle the order of activities in the project. Rather than waiting for the online application to become ready before loading SBR, it seems feasible and useful to load SBR with data from KBRA and statistical surveys as soon as possible (late June) and established procedures for the users as described about using spreadsheets. It will give the users the possibility to get the benefits of an improved statistical business register at an earlier stage.
The idea was approved. As this was decided towards the end of the mission there was not time to draw up a new time schedule. This will be done in next mission.

8. Next mission.

The next mission, to be carried out by Søren Netterstrøm is scheduled to take place from 20 April 2015.

Follow-up actions to be finalised before next mission

Action	Responsible person
SQL Procedures for updates further developed	Muhamet Kastrati
Obtain and load first set of data from SBS, STS and Business Register Survey	Muhamet Kastrati

Annex 1. Terms of Reference
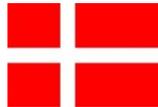
EU Twinning Project
KS12 IB ST 01
Support to Statistics

Terms of Reference:

Component 3:   **Business Statistics**
Activity 3.5.2.2:   **Support to improvement of Statistical Business Register (SBR) – Final implementation NACE rev.2**

Scheduling:
ToR –ready date: **16 February 2014**
Start / end of activity: **2-6 March 2015**
Reporting time: **13 March 2015**

Mandatory result of the component:

Mandatory Result	Intervention logic	Benchmarks	Sources of information	Assumptions
Mandatory Result 3.5.2	**Support to improvement of Statistical Business Register (SBR)**	• Mission report stating the most prioritized action areas for improving the business register uploaded on project homepage • Adjusted timetable and road map for improvements developed • Recommendations for new procedures to ensure seamless updating of the SBR from available sources given • Draft of correspondence table between NACE Rev 1.1 and NACE Rev 2. Updated • Correspondence table between NACE Rev 1.1 and NACE Rev 2 finalized	• Twinning Quarterly reports • Mission reports • Roadmap • Timetable	• Sufficient absorption capacity • Low turn-over of staff involved in implementation • Staff works on project related tasks in between missions • A detailed Terms of Reference is developed in a timely manner detailing tasks (input), expected output, participants of the activity and agenda

Subject / purpose of activity: 3.5.2.2 activity
This mission is a continuation of the last mission on SBR in January 2015.

Review of the work with procedures to implement automated update of SBR from administrative data
Analyses of data from KBRA in order to better understand how take-over, partial take-over, mergers and split is handled in the KBRA data. This may raise further questions that should be discussed with KBRA and may also lead to some revisions in the SQL-procedures.

Review of the time schedule. This should include an assessment of the probability that the goals set up for the project can be achieved with the resources available. This may lead to a revision of the goals.

A first look at the windows application planned for SBR and the prerequisites for developing such an application.

Review of data from other sources including TAX and data within KAS.

Expected output of activity 3.5.2.2:
Mission report – describing the progress made since last mission.
Updated decription of the SQL-procedure for update.
Suggestions for Terms of reference for other activities dealing with SBR.

KAS resources:
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KAS Twinning team:
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Ilir.T.Berisha@rks-gov.net
RTA Counterpart Ms.Teuta Zyberi, International Relations Officer, teuta.zyberi@rks-gov.net

Member state resources:
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Twinning ressources:
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Ms Nora Zogaj, RTA Assistent, nzogaj@yahoo.com

Description of the background for the activity
This mission is based on the plan made by the MS expert and the expert from KAS during the last mission.

Follow-up actions to be finalised before this mission
The project is further delayed in relation to the time schedule set up during last mission. To what extent it will be possible to catch up with this has to be seen, during the mission the time plan will be reviewed.

During the last mission it was further discussed if Mr. Kastrati could get assistance for some trivial but time consuming tasks. The idea was well received during the debriefing with the BC Project Leader.

The following actions were planned to be finalised before the next mission

Action	Responsible person
Create SQL Procedures for updates	Muhamet Kastrati
Obtain and load first set of data from KBRA	Muhamet Kastrati
SQL procedures (Querys) to create transactions completed	Muhamet Kastrati
Identify sources for statistical data regarding activity codes and other data	Muhamet Kastrati

Activities to be undertaken in preparation for the mission:
- All reports from Component 3 Business Statistics are available at dst.dk/kosovo

The expected activities are:

- Following up on activities since last mission
- Further development of the database

Expected output:

- Mission report – according to template
- Detailed plan for further activities to be completed regarding SBR in Kosovo by the twinning program

Annex 2. Persons met

KAS resources:
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