The structuring and processes concerning a supranational business register (EGR)

Abstract

For the purpose of producing FATS and FDI statistics, Member States have developed systems that allow identification of foreign controlled units and of units abroad controlled by resident enterprises. How this has been done differs between Member States. In some Member States, both NSIs and NCBs are engaged in the production. Different registers may be used. Some Member States have well developed business registers which can be used as the survey frame containing information on the structure of the MNEs, while others not yet have fully implemented this kind of information in their registers. Some use private sources to obtain the characteristics, while others collect the information through own surveys. Experiences show that an NSA alone do not have the full picture of a structure of MNE or is only able to get this by costly investigations. Business register staff needs to consult others involved and to tune decisions. The risk of inconsistencies between the different NSAs are high.

The EGR is intended to serve as the unique frame for collection of EU statistics related to globalisation. The statistics at EU level will benefit by higher quality and consistency, when all producers have agreed on a common frame.

Centrally, the EGR will integrate data from private sources and NSAs by using preference rules based on the topicality and the quality of the data. The results will be checked and eventually corrected by designated NSAs.

Quality checking, information collection and analysis take place at central and national level. Generally NSAs have regular contacts with the large and complex enterprise groups for register and reporting purposes. Also national compilers analyse the statistical reports of those groups and have to their disposal a lot of knowledge. The EGR offers the infrastructure to exchange this knowledge and to use this knowledge for improvement of information on MNEs in the EGR.

The EGR network will offer a platform to consult other NSAs and to take coordinated decisions on quality issues like the country of residence of the 'head of the group', operational issues like to which
NSA a MNE should report, the treatment of special cases (e.g. special purpose entities) or the treatment of important events like acquisitions or mergers. The EGR will offer the functionality to store and to distribute the end results of this work. By this way a coordinated information basis will be available and quality problems related to commercial data providers can be managed.

The paper will describe the strategic importance of the EGR, the functioning of the EGR as a whole and will also include results on the different EGR frame populations and basic facts and figures of the EGR.