National Statistics Office (GEOSTAT) is responsible for the update, profile and maintenance of business register in Georgia.

GEOSTAT carries out its functions taking into account the international methodology and standards. Since December 2009, the new Law of Georgia on Official Statistics has provided a legal basis for its functioning.

In GEOSTAT, 7 persons are working and responsible for business register. However, it is not enough and it is necessary to enlarge the number of statisticians, who will work on the development of methodologies and testing their implementation.

Since July 2012 Geostat has new software for business register: database is operating in MS SQL Server and for interface - web application (php).

Business register covers all registered economic entities, including physical persons. Structure is in accordance with international standards and recommendations.

Database includes approximately 581 000 entities (included active and non-active entities). Almost full coverage of legal entities in Business Register is ensured, but full coverage of local, local kind-of-activities and enterprise units is not yet achieved.

Main source for update of business register is monthly data received from administrative sources, namely data from Revenue Service (Tax Office) and from Public Registry;
From Public Registry Geostat receives information about newly registered and liquidated (closed) companies, also information on changes; from Revenue Service (Tax Office) - information on active taxpayers are available.

Please note, that economic census has never been carried out in Georgia

Business register contains the following information by each entity:

- Full name of enterprise
- Registration data
- Statistical code
- Tax code
- Legal address
- Actual address (only for limited number of entities)
- Organizational-legal form
- Ownership type
- Phone and fax numbers
- E-mail address and web page (only for limited number of entities)
- Name, surname, address and phone number of director
- Kind of economic activity by 5 digit of NACE rev. 1.1 (only for limited number of entities)
- Number of persons employed (only for active business entities)
- Turnover and/or income (only for active business entities).

However actual address and kind of economic activities are indicated only for limited number of enterprises. Sometimes indicated information on kind of economic activities are incorrect, which is huge problem for sampling frame and hence for all business survey.

Business register includes following units: Legal units, local units, enterprise units and local kind of activity unit.
As mentioned above, business register covers 581,000 legal units (of which approximately 113,000 are active).

21.4% from registered entities belongs to the following activity: “trade, repair of motor vehicles, personal and household goods”, 4.9% - takes entities from manufacturing industry, 4.0% - real estate, renting and consumer services, 3.2% - community, social and personal service activities; for 55.3% of registered entities - activity is unknown.

67% of registered entities are individual entrepreneurs, 25% - Limited liability companies, 3% - non commercial legal persons and et cetera.

94% of registered entities are private and 6% - state.

Role of Business Register for surveys is huge, because:

- All business surveys are based on the business register;
- GEOSTAT uses only one sampling frame for all business surveys;
- Every year a new sampling frame is provided containing all metadata;
- The business register is continuously updated during the year; the structural data and all statistical information are integrated;
- Information on employment and turnover is available from administrative sources every quarter;
- The NACE code is updated on a regular basis using various sources

Based on information received from Revenue Service (Tax Office) Geostat has prepared methodology – which defines sampling frame for business surveys.

For formation of sampling frame, in business register exists 3 types of filters:

- By organizational legal form
- By kind of economic activities
- By statuses (active or non active)

**First filter** excludes from business register those organizational-legal forms, which are not considered under business statistics survey (for example Legal Persons of Public Low, Non-profit Institutions and etc).
Second filter excludes from business register those kinds of economic activities, which are not considered under business statistics survey (Activity sections by NACE rev. 1.1: J (Financial Intermediation), L (Public Administration), P (Private households employing domestic staff and undifferentiated production activities of households for own use) and Q (Activities of extra-territorial organizations and bodies).

Third filter excludes non-active entities.

According existing methodology in Geostat, enterprise is active if it has indicated:

- in any kind of declaration (VAT, revenue and etc) turnover more than zero;
- in any kind of declaration (VAT, revenue and etc) number of persons employed more than zero;
- in wage notification - wage or number of persons employed;
- in profit declaration - profit or loss;
- Enterprise paid any kind of tax, without only property tax.

As a result of above mentioned activities, Geostat create sampling frame, which covers active enterprises from non-financial corporation sector and which can be used for all business survey in Georgia.