

Standardisation Exercise 2006 – External Trade by Enterprise Characteristics at EU level

Außenwirtschaft in Zeiten der Globalisierung – Möglichkeiten und Grenzen der statistischen Messung

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Trade statistics vs. business statistics

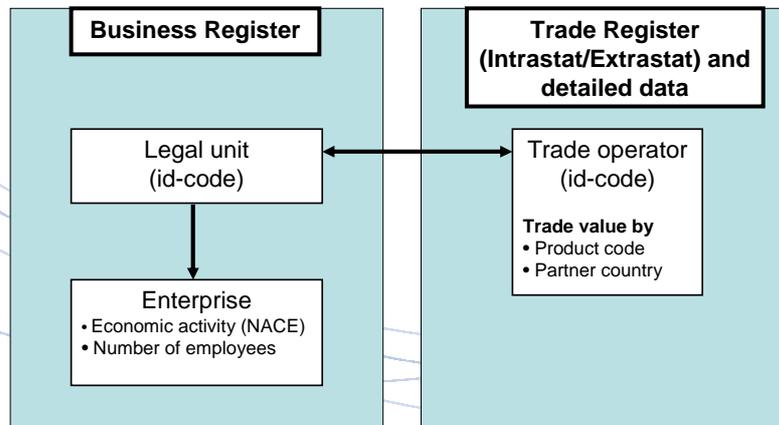
- Statistics on trading of goods describe trade flows between countries with a breakdown of products
 - Monthly statistics with detailed breakdowns of products and partner countries
 - No data on traders (no explicit statistical units)
- Business Statistics, in particular SBS, describe the structure and evolution of activities of businesses
 - Annual (SBS) or monthly (STS) statistics with a great number of variables
 - Basic breakdown according to the economic activity
 - Limited information on external trade
- Trade and business statistics are based on different concepts and classification, thus using them separately may provide incoherent basis for analysing the effects of external trade on production, employment and enterprises' performances.

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How to make trade statistics coherent with business characteristics?

- Answer: Link trade registers/data with business register
- Several arguments why it is beneficial:
 - The link between traders and businesses is required by Business Register Regulation
 - No need for data collection; uses the data already collected
 - Consistent and coherent definition of statistical units
 - Detailed level of trade data can be maintained
 - The most important economic variables available (economic activity, number of employees, turnover)
 - Can be extended to cover all statistics related to businesses

Link between trade operators and statistical units



Standardisation Exercise

- A common pilot study on trade by enterprise characteristics coordinated by Eurostat
- Objectives:
 - To test the feasibility of matching business and trade registers
 - To reconcile trade flows according to enterprise characteristics coherently
- Method in a nutshell:
 - Linkage of micro data at national level: identification code of trade register linked with identification code of business register
 - 4 populations: intra-EU arrivals and dispatches, extra-EU imports and exports
 - Statistical unit: Enterprise
 - Annual trade data is reconciled according to enterprise characteristics
 - Aggregated results (no micro data) delivered to Eurostat
 - Eurostat processes and publishes harmonised data

Data collection: history and way forward

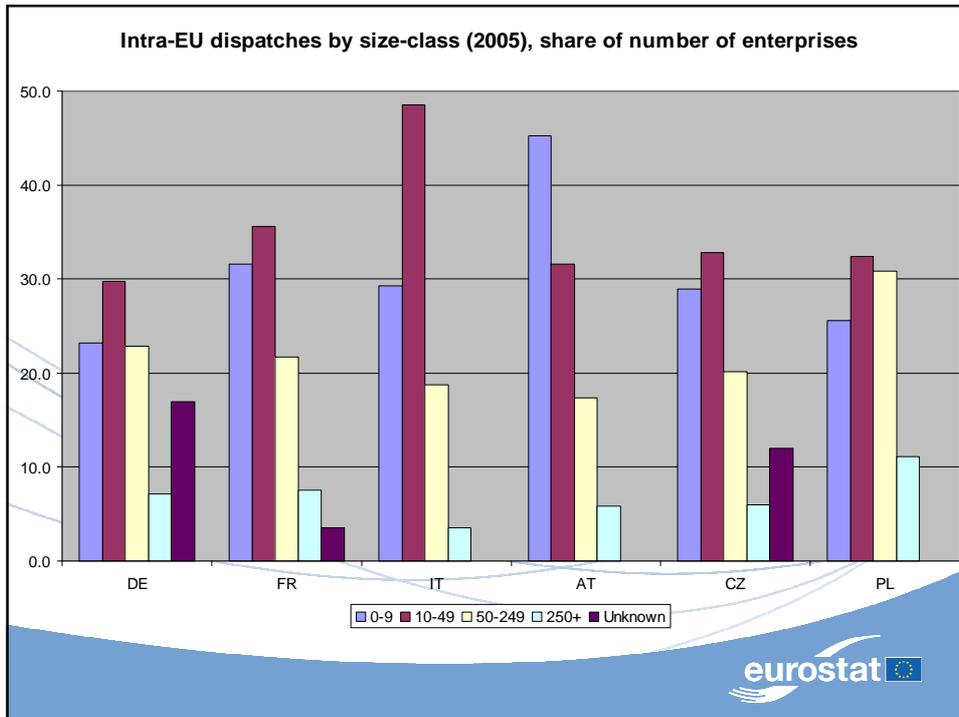
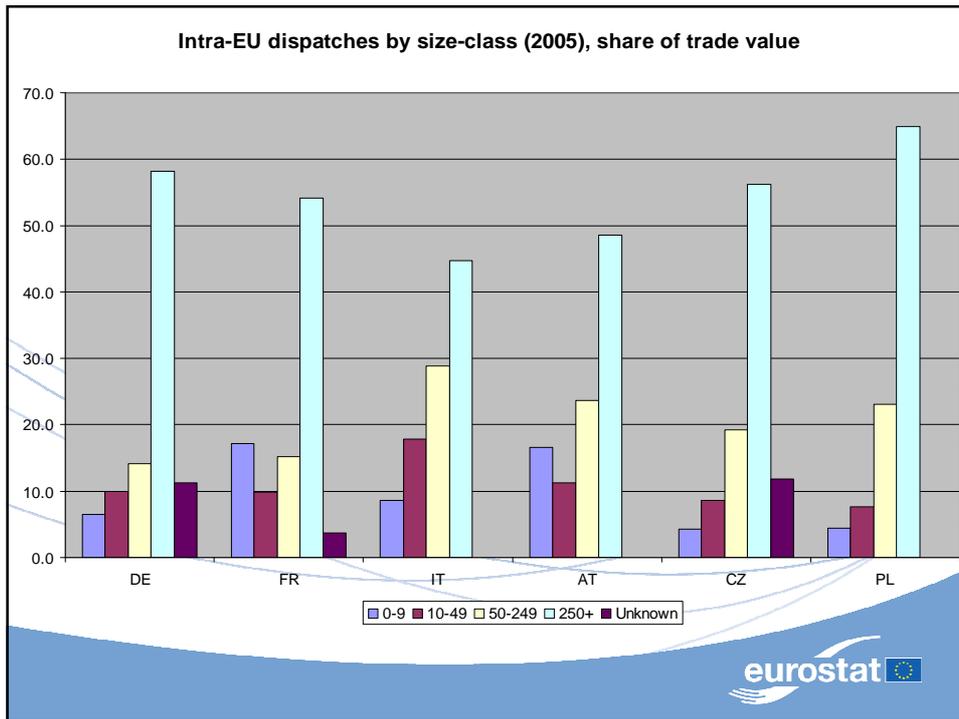
- Methodology and indicators developed by Eurostat Task Force "Trade Registers/Globalisation" since late 1990's
- Three pilot studies completed for reference years 1999, 2002 and 2003. Results are available in Eurostat website as working papers, not yet as a database
- Fourth pilot study for reference year 2005 is currently taking place
- Obligatory compilation proposed in the new legal acts for intra- and extra-EU trade
- Annual pilot studies planned until legal acts have been adopted

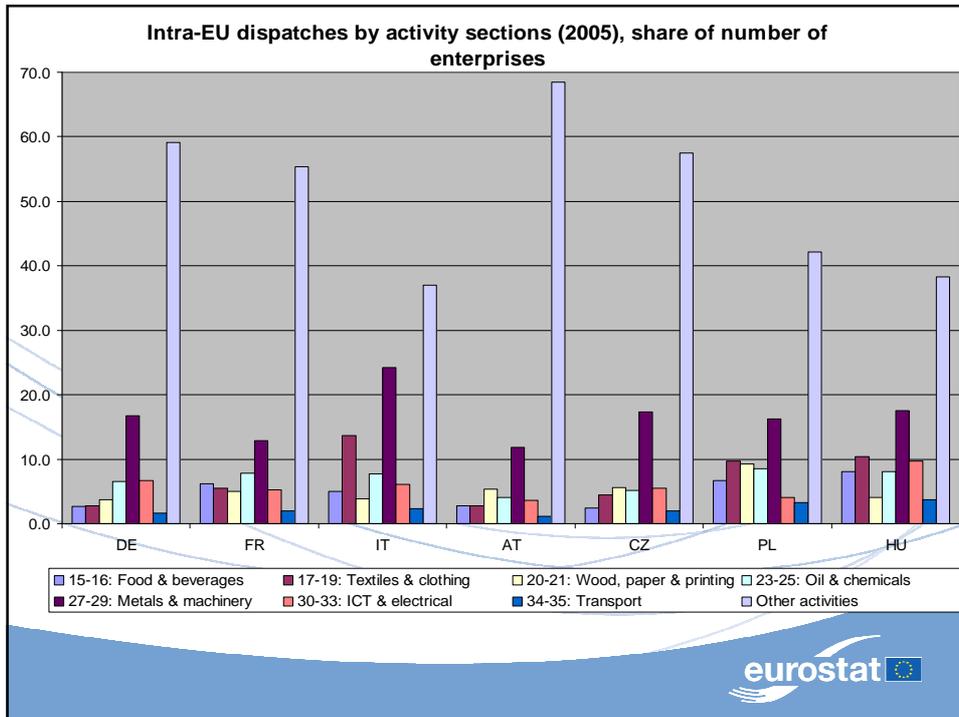
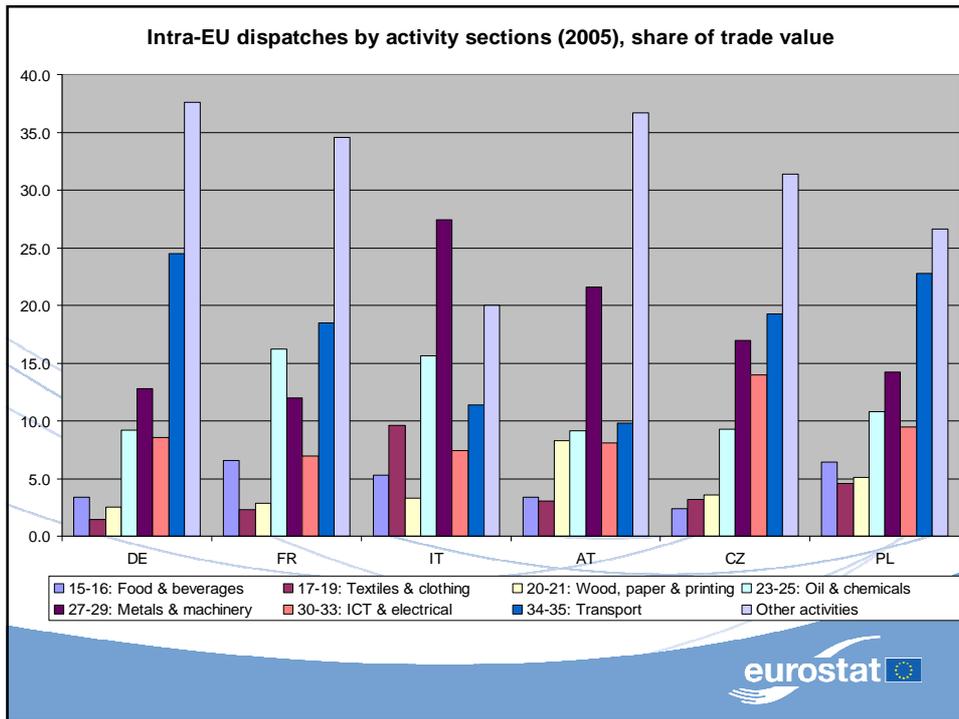
Indicators, variables and breakdowns

- Six indicators
 1. Matching the trade and business registers
 2. Trade by economic activity and employment size-class
 3. Concentration of trade by economic activity
 4. Trade by economic activity and by partner countries or zones
 5. Trade by economic activity and by number of partner countries
 6. Trade by economic activity and by products
- Variables:
 - Trade value
 - Number of enterprises
- Breakdowns
 - Activity:
 - Total
 - Industry (NACE C – E), Trade (NACE G), Others
 - NACE 2-digit for NACE C – E and G (only indicators 2 and 6)
 - Size-class
 - 0-9, 10-49, 50-249, 250+
 - Partner countries
 - All EU Member States and most important extra-EU partner countries or zones

Preliminary figures for reference year 2005

- Following slides show preliminary figures for 2005 of intra-EU (EU25) dispatches of six EU Member States: Germany, France, Italy, Austria, Czech Republic and Poland
- Share of total value and total number of enterprises by size-classes and by main activity sectors are shown
- Final results will be published later 2008





Conclusions

- Data availability:
 - 18 Member States provided data for reference year 2003, more are expected for reference year 2005
 - Co-operation with OECD: internationally comparable data will be available (US, Canada, Norway,...)
- Quality of the results depends on the quality of registers, in particular on the successful matching of units recorded in them. For majority of EU Member States, the matching rates are very high – close to 100 % - but some MSs need further improvements
- Particular problems that have been found out in pilot studies
 - Matching of complicated businesses: trade may be allocated to headquarter instead of “true” trader => biased results
 - Intra- and extra-EU trade not comparable in terms of number of enterprises => under-coverage of SMEs in intra-EU trade
 - Confidentiality may be a problem for smaller MSs

Conclusions

- Intensification of globalisation has a huge economic impact on the EU. Some aspects are particularly visible in international trade:
 - Role of multinational enterprise groups
 - International production and supply changes are changing
 - Countries specialise on production of certain goods or part of the production process => what is the linkage between production and international trade?
- Data from different statistical domains does not necessarily give complete overview on such a complex phenomenon like globalisation
- At the same time the administrative burden of businesses needs to be reduced. New statistics which require additional data collection are difficult to introduce.
- Linking trade statistics with business registers is an example on how micro data linkages can be used to provide new statistics which
 - bring existing statistics closer to each other and enable to better identify differences among them
 - provide information on some aspects of globalisation
 - do not require additional data collection