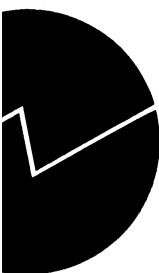Statistics Norway
Department of Coordination and Development

*Håkon Berby*

# A Demonstration Data Base for Business Register Management

A data base covering Statistical Units
according to the Regulation of the
European Union and units of
Administrative Registers

# Preface

This document contains the report on the completion of phase 3 of a project for establishing a demonstration data base for business register management according to the regulation and recommendations of the European Union. The aim of the system is to make it possible to demonstrate how an operator will be able to manage the entry and change of register units as examplified by a set of cases developed by Eurostat.

The project was initiated by Mr. Daniel Defays of Eurostat to Section for business register in Statistics Norway. The demonstration data base is developed by Statistics Norway for Eurostat on contract. The system has been established by

1.  porting the on line part of Statistics Norways data base system for business register management from an IBM compatible mainframe platform to a PC/UNIX platform,

2.  converting the data base and application system to comply with the Council Regulation (EEC) No 2186/93 of 22 July 1993 on Community co-ordination in drawing up business registers for statistical purposes and

3.  the development of a GUI version of the system.

The project was split into three phases. The two first phases was covered by a separate contract between Eurostat and Statistics Norway, completed in November 1996 and documented as No. 97/9 in the series "Documents" of Statistics Norway. The third phase was covered by a second contract and completed as described in the following document. The work started in January 1997 and ended in September 1997; the draft report was presented at a meeting in Eurostat September 30 1997, and the final report submitted in December 1997.

The present document contains (i) the documentation of the GUI version, (ii) the Council regulations on Business registers as annex 1, (iii) the Council regulations on Statisitcal Units as annex 2, (iv) the report to Eurostat on phase 3 of the project as annex 3 and (v) the contract between Statistics Norway and Eurostat on phase 3 as annex 4.

I would like to thank Mr. John Perry, Office for National Statistics (UK), Mr. Yngve Bergstrøm and Ms. Hanne Modahl Bjertnes, both Statistics Norway, for valuable comments on the documentation of the GUI version of the system.

Statistics Norway, Oslo, April 1998.
Håkon Berby

# Contents

# 1    Introduction

The purpose of this document is to explain the

- the functions and
- the variable content

of the BRS as they may be utilised in the dialogues (or interface) of the system by the end user.

To give the user an impression of the scope of the system the paper contains some background information:

1.  Chapter 2 contains a short description of the role of the business register in relation to the statistical system including the system for national accounts. For that purpose the EU regulations on business registers and on statistical units are included in annex 1 and 2.

2.  Chapter 3 contains a presentation of conceptual models of the entity types concerned according to the regulations of the European Union.

3.  Chapter 4 contains a simplified data model of the main entity types implemented in, and the basis for, the user functions of the BRS.

The description of the functions and the variable content is contained in chapter 5. Chapter 6 contains a description on the management of the register when new units appear in the administrative registers.

Abbreviations
Some abbreviations are used in the user interface of the BRS. These abbreviations are also reflected in this document. Some abbreviations of this document are also included. The following is a list of some of these abbreviations with a short description.

| | |
|---|---|
| LegU | Legal unit |
| LocU | Local unit |
| Legal | Legal unit or legal unit register |
| Local | Local unit or local unit register |
| Ent | Enterprise unit or enterprise register |
| VAT | VAT unit or VAT register |
| Empl | Employer unit or employer register |
| ID-No. | Identification number (of a register unit) |
| | |
| CRE | The Norwegian "Central Register of Establishments and Enterprises" |
| CSO | Central Statistical Office |

# 2    The role of EU regulations on business registers and statistical units

One purpose of the BRS is to act as a demonstration data base for business register management according to the regulations and recommendations of the European Union (EU). The business registers for statistical purposes have their own regulation; . However, there are other regulations of the EU that are of equal importance for the establishment and management of business registers for statistical purposes, for instance:

- "COUNCIL REGULATION (EEC) No 696/93 of 15 March 1993 *on the statistical units for the observation and analysis of the production system in the Community*" (the statistical unit regulation).
- "Council regulation (EC) No 2223/96 of 25 June 1996 *on the European system of national and regional accounts in the community*" (the ESA regulation).

One common purpose of these regulations is to establish a foundation for "*standard definitions of statistical units for registers, surveys and the presentation and analysis of statistics*" in the member states of the European Union.  A demonstration data base on a business register for statistical purposes should therefore:

1.  be able to maintain the neessay and properly defined units to act as a common basis for the survey frames on the economic statistics of a national statistical agency and
2.  the units should contain the necessary variables for this purpose.

The people responsible for setting up and for management of the business register should also have the requirements of the complete statistical system in focus.

The regulations are included as annexes to this document.

# 3 Conceptual models of entity types

## 3.1 Conceptual model according to the business register regulation

The following conceptual model is an interpretation of the requirements of the regulation from the "Recommendations manual"[1] of Eurostat.
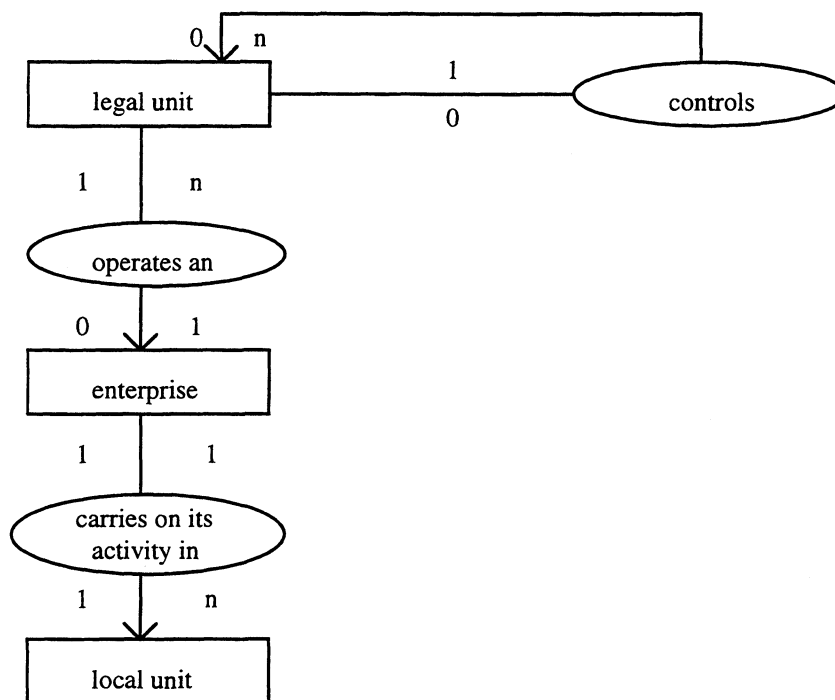


*Figure 3.1 Conceptual model according to the regulation on business registers*

When establishing and using a statistical business register, the entity types of this model should also be considered together with other statistical entity types and entity types of administrative registers.

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[1] Source: Business registers for statistical purposes: Methological recommendations Volume 1. Luxembourg 1996.

## 3.2    The statistical units and their relation to administrative units

The following model gives a picture of some of the main statistical units according to the regulation on statistical units, and some important administrative units/registers. The information of the administrative registers are used for establishing new statistical units and maintaining existing units. In register management one has to consider the other objects of the business register, such as:

- Defining and construction of the statistical units
- Preparation and co-ordination of survey operations ( mailing lists, sampling frame, etc.)
- Mobilisation of administrative data
- Production of information to the CBS direction
- Information source for statistical analysis of enterprise and local unit population (demography)
- Administration of special needs concerning the Statistics Act
- Dissemination of data
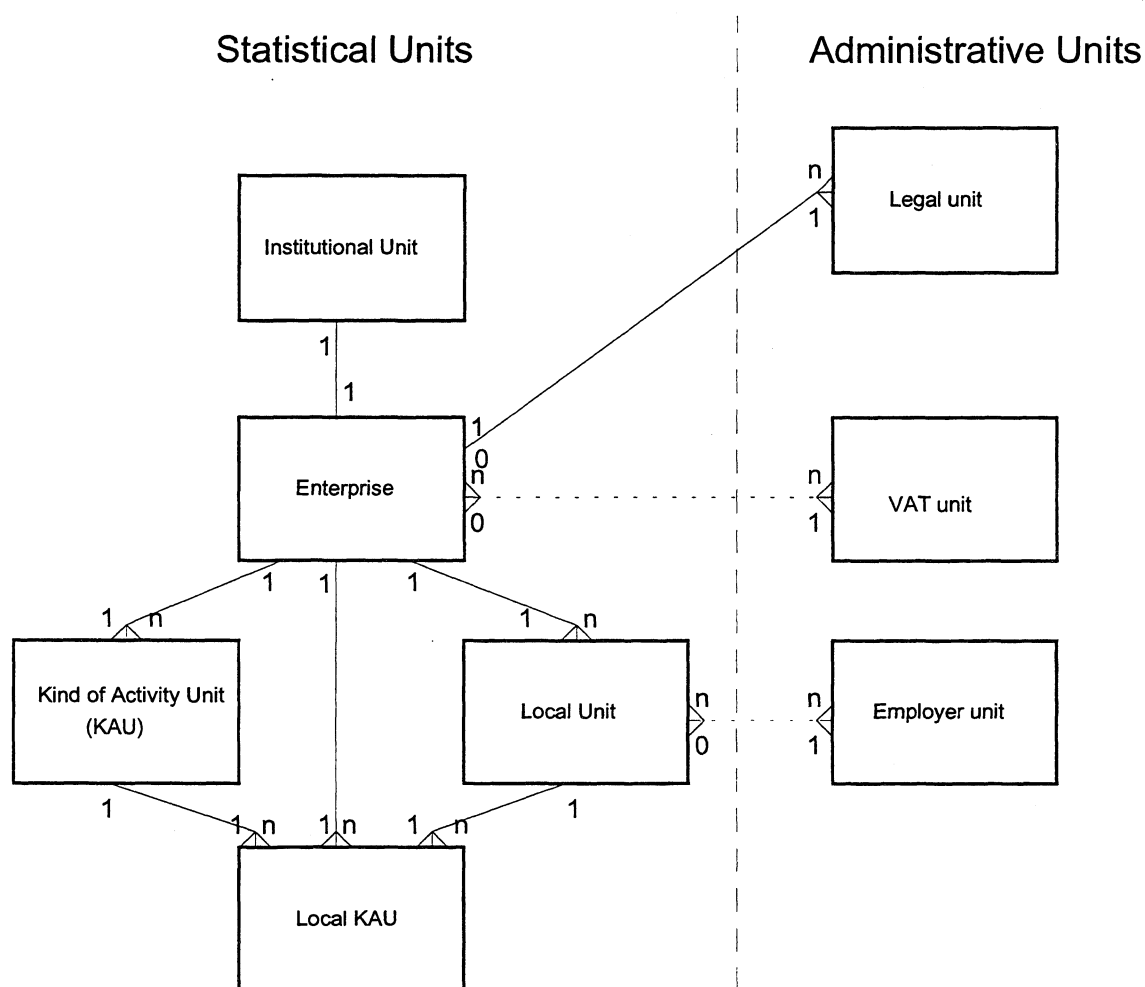


*Figure 3.2  Statistical and administrative units and relationships*

Parts of this model have been adapted for use in the BRS. The resulting data model of the BRS is then an example of how a statistical business register based on the regulations and recommendations of the European Union may be implemented in a national context. This case is based on the Norwegian business register (the CRE).

The legal unit register is contained in the EU regulation on business registers in parallell with the enterprise and the local unit registers, and the regulation implies that the entities of the administrative register of the legal units are to be linked to the respective entites of the enterprise register. This is indicated in the unbroken line of the relationship between the entity types of the legal unit and the enterprise in figure 3.2 above. The relationships between the other administrative entity types and the statistical entity types may be established according to the solution that is most practical for the case of the specific national business register. Since the statistical entity types of the BRS adheres to the EU regulation on business registers, the entities of the VAT register will be linked to entities of the enterprise register and the entities of the employer register will be linked to entities of the local unit register.

# 4 The data model of BRS

## 4.1 Entity types, relationships and variable content

A simplified data model of the BRS is presented below. Even if it includes more entity types and relationships than in the conceptual model above, it is far from complete. However, we have included those entity types and relationships necessary for the interpretation of the description of the user dialogues (with push buttons and menus) to navigate using the relationships between the units in the data base.
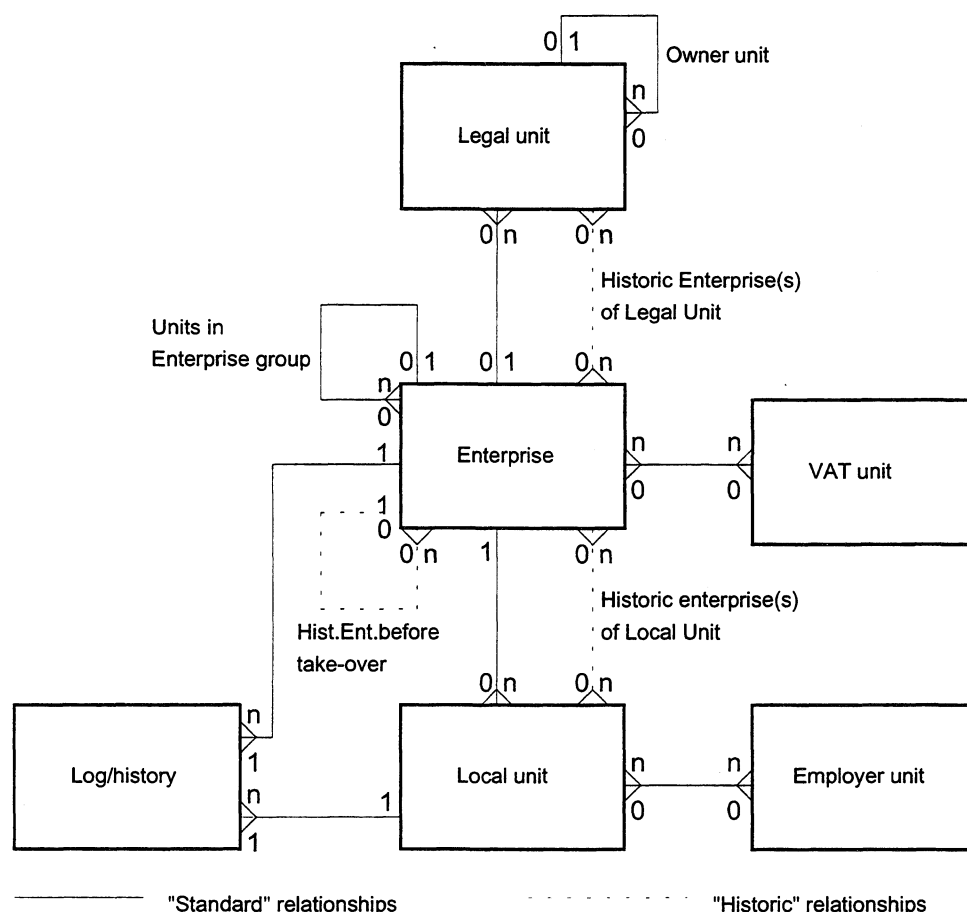


*Figure 5.2  The main entity and relationship types of BRS*

Definitions and descriptions of the main entity types and relationships as well as the required variable content, according to the regulation on business registers of the EU, are documented in Annex 1 of the paper "Development of a Demonstration Data Base for Business Register Management, An Example of a Statistical Business Register according to the Regulation and Recommendations of the European Union" by Håkon Berby and Yngve Bergstrøm (Statistics Norway, Documents 97/9).

Except for a few variables, the BRS contains all variables of the Norwegian "Central Register of Establishments and Enterprises" (CRE) system from which the BRS originated. In addition, the BRS also contains new variables to cope with the requirements of a set of cases prepared for "The Business Registers Committee" by Eurostat.

A more detailed list of the variables, which you will encounter in the dialogues of the BRS, is contained in chapter 5.7 "The variable content in the dialogues of the entity types".

The entry and modifications of the variables of a unit in the BRS will often result in the update of other units (of the same or of other entity types) as well as the recording of the data entry and modification transactions of the enterprises and the local units in the Log/history file. It is an advantage to have some knowledge of these cross entity (including cross entity type) transactions to understand the implications (i) in the data base and (ii) in the functions for the user to navigate between the units via the relationships of the BRS.

## 4.2    Historic information

### 4.2.1  The Log/history file

All changes and corrections of variables of the statistical entity types (enterprise and local unit) are recorded in the *Log/history file*. The recordings are made with before and after images of the modified variables. The variables are recorded together with their dates of validity (for variables with date of valitity) if a change has been made.

- *Changes* should be performed when the modification in the data base reflects a change in the real world situation that we try to picture by means of the register. A change will always include *both* the variable itself *and* its date of validity variable.
- *Corrections* should be performed when the recordings of the picture of the real world situation in the register is incorrect. Corrections may *only* affect the variable itself *or* its date of validity variable.

The recordings contains the date of the update transaction and a code indicating whether it was a change or correction transaction.

This GUI-version of the BRS does not currently include dialogues for the display of information in the Log/history file. This information is at present only available in the character based "basic version" of the BRS. In the basic version, there is a function for browsing the Log/history file of a particular enterprise or local unit from the maintenance map of that particular register unit. The function of the GUI-version for browsing the Log/history file is not yet ready.

The demonstarion data base does not (yet) cover changes and corrections of the administrative entity types.

### 4.2.2  Historic information in the register units

General
The *register units* of the legal unit, enterprise and local unit contains *historic information* on the last four values of some selected variables (previous values are dropped):

The purpose of some of this historic information is to make *data retrieval by historic relationships* possible. Below is (i) a short list of variables where historical information is recorded and (ii) a list of the use of the historic relationships available in the user dialogues of the BRS.

(i) "Historic variables"
The *legal unit* contains historic information on:

- the link to the enterprise (e.g. enterprise number and date of validity)

The *enterprise* contains historic information on:

- name
- address
- employment
- net turnover
- activity codes
- Historic relationship between new and ceased enterprises of a take-over: This type of historic relationship is established during a take-over transaction when the operator selects "cessation of old enterprise". A take-over transaction is taking place when a "new" enterprise is taking over the local unit(s) of an "old" enterprise.

The historic information is recorded together with the date of validity of the actual value of each variable.

The *local unit* contains historic information on:

- name
- address
- employment
- turnover
- activity codes
- the link to the enterprise (i.e. enterprise number)

The historic information is recorded together with the date of validity of the actual value of each variable.

(ii)The use of historic information

The following historic information of the legal unit, the enterprise and the local unit may be used for retrieval purposes:

- The historic link *to the enterprise of the legal unit* is used in:
  - the find menu of the enterprise
  - the query function of the main user dialogue and
  - the secondary query function
- The historic link *to the enterprise of the local unit* is used in:
  - the find menu of the enterprise
  - the query function of the main user dialogue and
  - the secondary query function
- The historic *Name* is used in:
  - the query function of the main user dialogue and
  - the secondary query function
- The historic *Address* is used in:
  - the query function of the main user dialogue and
  - the secondary query function
- *Reference enterprise* is used:
  - to find the "new" enterprise of the take-over in the find menu of the "old" enterprise
  - to find the "old" enterprise of the take-over in the find menu of the "new" enterprise taking over the local unit(s) of the "old" one

# 5 System description of the BRS

## 5.1 General overview

### 5.1.1 System structure

```
┌─────────────────────────────────────────────────────────┐
│  BRS                    Business Register System          │
│  ┌───────────────────────────┐                           │
│  │ Start-up window:          │                           │
│  │ Choice of working language│                           │
│  └───────────────────────────┘                           │
│  ┌───────────────────────────┐                           │
│  │ Main user dialogue with   │                           │
│  │ primary query function    │                           │
│  └───────────────────────────┘                           │
│  ┌───────────────────────────┐                           │
│  │ Search result list        │                           │
│  │ for selection of a unit if more                       │
│  │ than one unit found in query                          │
│  └───────────────────────────┘                           │
│  ┌──────────────────────┐  ┌──────────────┐              │
│  │ Dialogues for        │  │ Functions for│              │
│  │ display and maintenance  │ entry of     │              │
│  │ of a register unit   │  │ new units    │              │
│  └──────────────────────┘  └──────────────┘              │
│  ┌───────────────────────────────────────────┐           │
│  │ Secondary query function for finding units │           │
│  │ for linkage or for display in secondary window         │
│  └───────────────────────────────────────────┘           │
└─────────────────────────────────────────────────────────┘
              ┌─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ┐
              │ Sub application for │
              │ maintenance of      │
              │ catalogues for      │
              │ classifications and │
              │ system functions    │
              └─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ┘
```

*Figure 5.1.1   The main functions of BRS*

## 5.1.2 User interface, dialogues and windows

*Dialogues* are system objects with functions

- for specification of search arguments for finding data in the registers of the data base,
- for viewing and maintaining the data of existing units in the business register,
- for entering new units of a entity type or
- for making a choice of a unit or entity type, for the setting of parameters, etc. .

The dialogues will appear as *windows* in the user interface on the screen. In some cases dialogues will be connected to each other in a certain manner and termed *primary* and *secondary* windows.

The term *primary* window is used to describe a "main" dialogue object for viewing, maintaining or entering data of a particular unit of a specific entity type. The primary window will by default be accompanied by a *secondary* window containing some selected data of another unit for information purposes. The unit in the secondary window is by default a linked unit of another entity type (see 5.1.3).

Please note that the concept of primary and secondary windows, as used here, must not be confused with the situation where a pop up dialogue appears in a window under control by another dialogue.

When using the dialogues for display or data entry of data for a specific unit of a entity type, the layout of the user interface will appear as follows.

- The primary window displays the data content of the *specific unit* found and selected by the main query function. All maintenance of the data content of a register unit, including linking to another unit of the same or another entity type, is performed in the primary window.
- An optional "*secondary window*" is displayed below the dialogue of the primary window. The secondary window will by default contain the *linked unit* of the entity type most closely related to the entity type in the primary window (see the data model). For instance when you have searched for and found a legal unit and it is displayed in the primary window, the secondary window will contain selected variables of the enterprise linked to the legal unit (if an enterprise is linked to the legal unit). The user may also search for other units of any entity type, by means of a *secondary query function*, to be displayed in the secondary window. Some of the functions for linking a unit in the primary window to another unit, will call the secondary query function to find another unit for linkage. This other unit will then be displayed in the secondary window. The secondary window is a display only window and may not be accessed by the user.

You may alter the default setting of showing the secondary window into a "no-show" by means of the "Options" menu in the main user dialogue or in the primary dialogues for viewing and maintaining the register units. The no-show setting will be maintained throughout the rest of the session or until it is reset by means of:

- The "Options" menu or
- A function for the linkage of a unit in the primary window to another unit. These functions will always show the unit selected for linkage in the secondary window.

Navigating between the data items (or variables) in the windows may be done by mouse "point and click" or by the <Tab>/<Shift-TAB> keystrokes.

## 5.2 Main User Dialogue

### 5.2.1 The primary query function

The *primary query function* is used for finding the units in the registers of the data base.
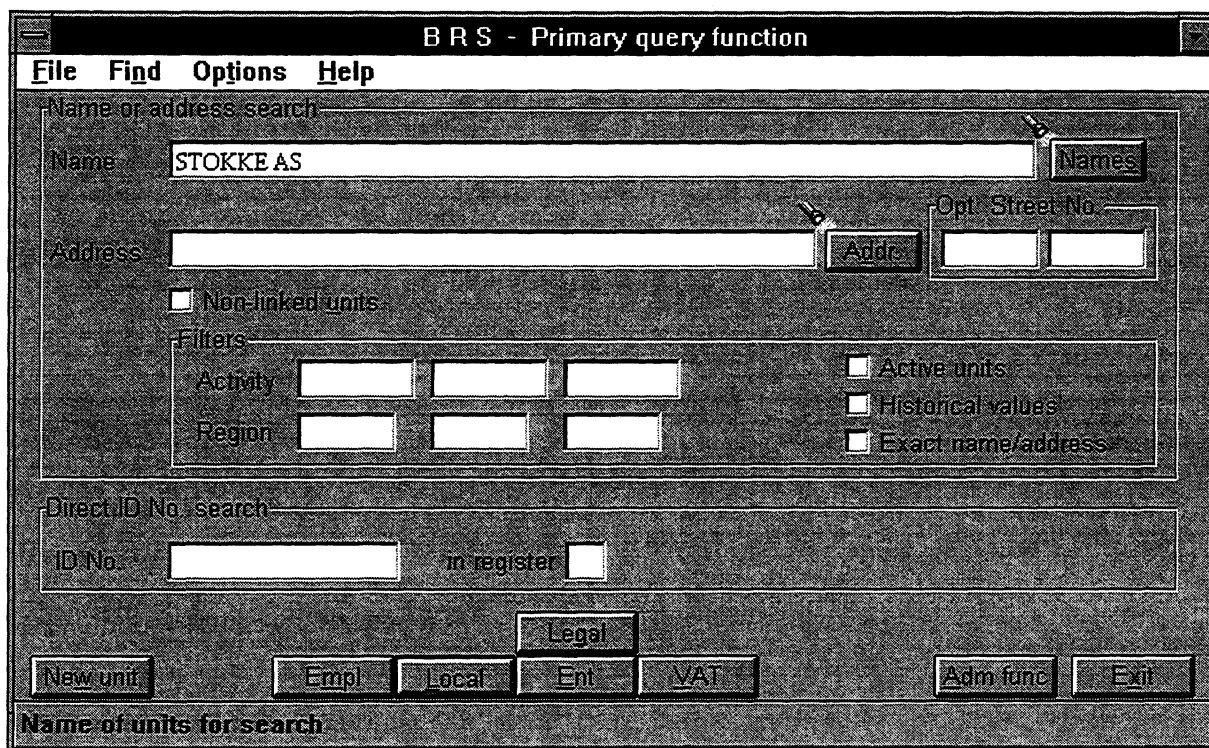


*Figure 5.2  The main user dialogue with the primary query function*

### Search keys

The query function offers three optional *search keys* for the interrogation of the registers of the data base:

- Name (e.g. name of a register unit)
-  Address (e.g. street name and number or post box address)
- Identification number of a register unit
  - to find the unit itself or
  - to find units of other entity types that are linked to the specified unit

Note:  You may use *one and only one* of these three options, and you may only search for data in *one register in one query operation.*

By default the search is performed on the *present values* stored in the data base for the name, address and the identification number.  For legal units, enterprises and local units you may alternatively specify that the search is to be performed on *historical values* of the search keys (the search keys available for "historic search" are dependent on the entity type; for details see below).

## Name or address

When using *name* or *address* as search key:

- A *query* makes the system perform a search in *one register* for units entered with that particular name or address. You specify *which register* by pushing the relevant button with a single click of the left mouse button.
- The search value may be *truncated* by means of an asterisk (*).
- By default the system performs a *phonetic search*.

- You may overrule the phonetic search default and use the "*exact name*" as search key.

### The phonetic search facility

All unit names and addresses in the data base are stored in separate unit name and address name tables together with a *soundex code* of the names for the phonetic search facility. The soundex code is currently adapted to names in the Norwegian language. Other languages may be handled by entering proper word fragments together with soundex codes in a table of a program in the BRS system.

For unit names, the names is to be recorded according to a standard for writing the unit names.
- The unit names and addresses are always written with capital letters.
- When the unit name contains the name of a natural person, the unit name should always start with the surname, then the first and middle name(s) followed by other parts of the name, such as legal form (*Ltd., A/S, Inc.,* etc.). For instance "PER HANSSON A/S" is to be recorded as "HANSSON PER A/S".
- In other cases, the names are to be written in their "natural" sequence. For instance "WORLD SYSTEMS (EUROPE) LTD." is to be recorded as is.

Ay definite article of a name is stripped off when constructing the soundex code. Examples in Norwegian: den, det, de (the equivalent of "the" in English).

Addresses are always to be written in their "natural" sequence.

You must adhere to the naming conventions when making a query with unit name as the search key.

### Search with the complete name

By marking the toggle button named "Exact", the search is performed by means of the *exact value* of the name or address name, as it is written (and preferably as recorded in the data base), instead of the generated soundex code.

## Identification Number as search key

When using the *identification number* (ID.No.) of a unit as search key, you may either search for

- that *particular* unit in the register where the unit belongs or
- *linked* units of another entity type.

When using an identification number of a unit to search for *linked units of another entity type*, the linked units may be directly linked or indirectly linked. This means that you may find employer

units linked to local units linked to an enterprise linked to a VAT unit by specifying the ID.No. of a VAT unit and call for search of (the linked) units in the employer register.

To execute a search based on the *ID.No. of a particular register unit* as a search key, the user

1. specifies the ID.No. together with the entity type of that particular unit and
2. clicks the relevant push button of the register to be searched (e.g. the same entity type or the entity type of the linked units of interest).

## Historical values

Searches by historical values of the search keys may be executed for *Local Units, Enterprises* and *Legal Units*. The following historical data that may be used for search purposes are stored for these entity types:

- The last four *unit names* and *addresses* are stored for *Local Units* and *Enterprises*.
- The *identification numbers* of the last four linked enterprises are stored for the *local* and the *legal units*.

Thus, the user may specify a search argument of:

- historical values of the unit name of the local units or enterprises
- historical values of the address of the local units or enterprises
- historical enterprises (e.g. enterprise number) of the local units or of the legal units.

The user specifies that the search is to be performed on historical data by marking the toggle switch named "*Historical*".

When searching for historical name or address name, the *exact value* of the names (by marking the toggle button named "Exact") as well as the default phonetic search facility may be used.

## Non-linked units

Both the primary and the secondary query function have an option for the retrieval of *non-linked units only* of the entity types of the legal unit, the VAT unit and the employer unit. A non-linked unit is an administrative unit which is not linked to any unit of the statistical entity types. The option is enabled *only if there are non-linked units* of the actual entity type in the register.

## Filters

Each of the search keys may be combined with the following filters:

- Regional code (1 or more digits) may always be used
- Activity code (1 or more digits) may always be used
- Active units (only units that are recorded with a status as active will be selected for retrieval)

## Starting the search process

After entering the search argument, you may activate the push button of the entity type where you want to find units in the data base. Before the search process is started, a consistency check on the search argument is performed. If the search argument is accepted, the system will search the data base. If it is not accepted, an error message is returned.

If more than one unit is found, the system will return a list of units for selection and display in the primary window.

If only *one unit* is found, the system will immediately display the data of this unit in the primary window, with a linked unit in the secondary window. In some cases a choice among linked units for the secondary window may be required (e.g. when none of the local units of a multi unit enterprise is defined as the *main* local unit).

If no data are found, a zero hit message is displayed.

## 5.2.2 Other functions of the main user dialogue

All the functions are available via menus in the menu bar. Most functions are also available via push buttons.

In addition to the query function the main user dialogue contains:

- A menu item/push button for starting the data entry functions for *new register units* in the data base.
- A menu item/push button for starting the *sub application* for the maintenance of catalogues containing the classifications (nomenclatures) of the database and other catalogues for administration of the system including user privileges.

### Starting the data entry functions

The data entry functions may be started from the **File** menu (*New unit*) or a push button (*New unit*) in the dialogue. The system response is a window for selection of *entity type* for data entry.

### Resetting the default window layout for a user session of BRS

The dialogue contains a menu (**Options**) for resetting the default window layout.

- The default is to display the secondary window below the primary window.
- The user may choose not to show the secondary window.

The setting may be overruled at a later stage. You may do this in the dedicated dialogues for displaying the register units as well as in the main user dialogue.

**<u>Starting the application for maintenance of catalogues for system administration, classifications etc.</u>**

The sub-application for administration of the catalogues for classifications and other system administration functions are started from the **File** menu (*Adm functions*) or a push button (*Adm func*) in the dialogue.

This sub-application is not covered by the present help function/document.

## 5.3    The secondary query function

The system contains a secondary query function which is implemented in a dialogue specially designed for the purpose.

The secondary query function is intended for finding a register unit for (i) linkage to a unit in the primary window or (ii) display in the secondary window  The dialogue has the same basic layout as the main user dialogue.  The interface of the query function is similar to the one of the main user dialogue.  When the secondary query function is called for linking purposes, there will be a context based disabling of push buttons and menu items (e.g. items for the specification of which register you want to search for units according to the search argument).

As with the primary query function, the system will (i) immediately retrieve the unit if one unit only is found or (ii) display a list of units for the user to select one unit for retrieval if more than one unit is found.  When the unit is retrieved, the system will display it in the secondary window.

If the secondary query function was called from a linking function of a primary window dialogue, the identification number (and in some cases a default date) will be inserted for the linking purpose.  Transaction will then have to be completed by a <Change> command (Menu item of the file menu or push button).

## 5.4    Search result list

The *search result list*, for selection of a register unit, is only displayed when more than one unit is found in the data base search.

To select a unit, mark the unit in the list (by the mouse or by means of the keyboard) and press the OK button.  The selected unit will be displayed in the proper window or linked/inserted for linkage to the unit in the "working" dialogue in the primary window.

## 5.5    Dialogues for the display and maintenance of a register unit

A selected unit is displayed in the primary window by means of a dialogue for viewing and maintaining the data of the unit.  There is one such dialogue for each entity type.  The dialogues have the same basic layout and functionality with entity type customisation of push buttons and menu items to call or link other units depending on the relationships of the data model.  The figures below show the dialogues for the display and maintenance of the entity types.

```
┌─────────────────────────────────────────────────────────────────────────────┐
│ ═                         BRS - Legal Unit                          ▼ ▲       │
│ File  Find  Link  Options  Help                                               │
├───────────────────────────────────────────────────────────────────────────── │
│                                                                               │
│ Legal Unit No.        ┌─────────────┐  Created┌──────┐  Reg date┌──────┐      │
│                       │800000254    │         │231096│          │270297│      │
│ Legal name  ┌──────┐  ┌──────────────────────────────────────────────┐        │
│             │270597│  │NORWEGIAN CONTRACTORS MANAGEMENT AS            │        │
│ Trade name            │NORWEGIAN CONTRACTORS                          │        │
│ ┌Address────────────────────────────────────────────────────────────────┐    │
│ │ Street/road ┌──────┐ ┌────────────────────────────┐  ┌───┐ ┌───┐       │    │
│ │             │270597│ │JÅTTÅVÅGEN                   │  │   │ │   │       │    │
│ │ Mail address                                         └───┘ └───┘       │    │
│ │                                                                        │    │
│ │ Post No.    ┌────┐┌──────────────────────────────┐                     │    │
│ │             │4030││HINNA                         │                     │    │
│ │ Municipality┌────┐┌──────────────────────────────┐  ┌─────────────┐   │    │
│ │             │1103││STAVANGER                     │  │ROGALAND     │   │    │
│ └────────────────────────────────────────────────────────────────────────┘    │
│                                                                               │
│ Status         ┌──┐       Type┌──┐        Legal form ┌──────┐                 │
│                │I │           │A │                   │      │                 │
│ Activity code  ┌──────┐┌──────┐      Institutional Sector ┌────┐              │
│                │45.212││50210 │                          │710 │              │
│ Owner link  ┌──────┐ ┌──────────┐ % ┌────────┐                                │
│             │270597│ │800000122 │   │100     │                                │
│ Enterprise link ┌──────┐┌────────┐                                            │
│                 │270597││6578136 │                                            │
│ Share capital   ┌────────┐           Publish annual accts. (Y/N) ┌─┐          │
│                 │500000  │                                       │Y│          │
│                                                                               │
│ ┌────────┐ ┌───────┐ ┌────────┐ ┌─────┐ ┌─────┐      ┌────────┐ ┌────┐ ┌────┐ │
│ │New unit│ │Empl 2 │ │Local 2 │ │ Ent │ │ VAT │      │Change  │ │Corr│ │Exit│ │
│ └────────┘ └───────┘ └────────┘ └─────┘ └─────┘      └────────┘ └────┘ └────┘ │
│ Date of link to owner                                                         │
└─────────────────────────────────────────────────────────────────────────────┘
```

*Figure 5.5.1  The dialogue for the display and maintenance of the legal unit*

```
┌─────────────────────────────────────────────────────────────────────────────┐
│ ═                         BRS - Enterprise                          ▼ ▲       │
│ File  Find  Options  Help                                                     │
├────────────────────────────────────────────────────────────────────────────── │
│                                                                               │
│ Enterprise No.        ┌─────────────┐ Created┌──────┐  Source of data ┌─┐     │
│                       │6578136      │        │280297│                 │ │     │
│ Name      ┌──────┐    ┌──────────────────────────────────────────────┐       │
│           │280297│    │LYSAKER KVALITETSLEDELSE AS                    │       │
│ Sector    ┌──────┐    ┌──────┐                                                │
│           │000000│    │710   │                                                │
│ ┌Address data─────────────────────────────────────────────────────────────┐  │
│ │ Street/road ┌──────┐ ┌──────────────────────┐ ┌──┐ ┌─┐  Phone┌────────┐  │  │
│ │             │280297│ │HOLTET                │ │  │ │ │       │        │  │  │
│ │ Post No.    ┌────┐┌──────────────────────────┐                           │  │
│ │             │1320││STABEKK                   │                           │  │
│ │ Municipality┌────┐┌──────────────────────────┐  ┌──────────────┐        │  │
│ │             │0219││BÆRUM                     │  │AKERSHUS      │        │  │
│ └───────────────────────────────────────────────────────────────────────────┘│
│                                                                               │
│ Type       ┌──────┐ ┌──┐      ┌NACE──────────────┐ ┌ISIC──────────────┐       │
│            │280297│ │2 │      │ Date             │ │ Date             │       │
│ Status     ┌──────┐ ┌──┐      │ ┌──────┐┌──────┐ │ │ ┌──────┐┌──────┐ │       │
│            │280297│ │9 │      │ │280297││45.212│ │ │ │280297││50210 │ │       │
│ Employment ┌──────┐ ┌──────┐┌─┐│ ┌──────┐┌──────┐ │ │ ┌──────┐┌──────┐ │       │
│            │280297│ │      ││U││ │000000││      │ │ │ │000000││      │ │       │
│ Turnover   ┌──────┐ ┌──────┐┌─┐│ ┌──────┐         │ │ ┌──────┐         │       │
│            │280297│ │      ││U││ │000000│         │ │ │000000│         │       │
│ Net assets ┌──────┐ ┌──────────┘└──────────────────┘ └──────────────────┘     │
│            │      │ │          │                                              │
│                                                                               │
│ ┌────────┐ ┌───────┐ ┌────────┐ ┌───────┐ ┌─────┐    ┌────────┐ ┌────┐ ┌────┐ │
│ │New unit│ │Empl 2 │ │Local 2 │ │Legal 2│ │ VAT │    │Change  │ │Corr│ │Exit│ │
│ └────────┘ └───────┘ └────────┘ └───────┘ └─────┘    └────────┘ └────┘ └────┘ │
│                                                                               │
└─────────────────────────────────────────────────────────────────────────────┘
```

*Figure 5.5.2  The dialogue for the display and maintenance of the enterprise*

```
┌─────────────────────────────────────────────────────────────────────────────┐
│ ▬                        BRS  -  Local Unit                          ▼ ▲     │
├─────────────────────────────────────────────────────────────────────────────┤
│  File   Find   Link   Options   Help                                         │
├─────────────────────────────────────────────────────────────────────────────┤
│                                                                              │
│  Local Unit No.           │7653077        │  Created │200197│  Source of data □│
│  Name          │200197│   │NORWEGIAN CONTRACTORS MANAGEMENT AS            │   │
│  Description              │                                        │          │
│ ┌Address──────────────────────────────────────────────────────────────────┐ │
│ │ Street/road/Box  │200197│ │JÅTTÅVÅGEN                        │ │    │ □   │ │
│ │ Post No.                  │4030│ │HINNA                     │            │ │
│ │ Municipality              │1103│ │STAVANGER                 │ │ROGALAND│  │ │
│ └──────────────────────────────────────────────────────────────────────────┘ │
│                                                                              │
│  Type      │200197│ │2│       ┌NACE──────────────┐ ┌ISIC──────────────┐     │
│  Status    │200197│ │9│       │ Date             │ │ Date             │     │
│  Employment │200197│ │202│ □   │ │200197││45.212│ │ │ │200197││50210│ │     │
│  Turnover  │200197│ │    │U│   │ │000000││      │ │ │ │000000││      │ │     │
│                               │ │000000││      │ │ │ │000000││      │ │     │
│  Enterprise link │200197│ │6578136      │  └──────────────────┘ └──────────────────┘│
│                                                                              │
│  │New unit│ │Empl 1│ │Ent│ │Legal 2│ │VAT│      │Change│ │Corr│ │Exit│      │
├─────────────────────────────────────────────────────────────────────────────┤
│  Enterprise date                                                             │
└─────────────────────────────────────────────────────────────────────────────┘
```

*Figure 5.5.3  The dialogue for the display and maintenance of the local unit*

```
┌─────────────────────────────────────────────────────────────────────────────┐
│ ▬                        BRS  -  VAT Unit                           ▼ ▲     │
├─────────────────────────────────────────────────────────────────────────────┤
│  File   Find   Link   Options   Help                                         │
├─────────────────────────────────────────────────────────────────────────────┤
│                                                                              │
│  VAT Unit No.            │41234695       │  Created │280497│  Modified │090797││
│  Name                    │EKORNES J E AS            │                         │
│ ┌Address──────────────────────────────────────────────────────────────────┐ │
│ │ Street/road     │BOX 310                         │ │    │ □               │ │
│ │ Mail address    │                                │ │    │ □               │ │
│ │                                                                           │ │
│ │ Post No.        │6222│ │IKORNNES                  │                        │ │
│ │ Municipality    │1528│ │SYKKYLVEN                 │ │MØRE OG ROMSDAL│      │ │
│ └──────────────────────────────────────────────────────────────────────────┘ │
│                                                                              │
│  Activity code   │36.110│ │33210│                                            │
│  Type            │3│                                                         │
│  Status          │A│                                                         │
│  Turnover  │96│  │974269      │  Value added │200000│  VAT │97882│           │
│  Enterprise link │000000│ │           │                                      │
│                                                                              │
│  │New unit│ │Empl│ │Local│ │Ent│ │Legal│            │Corr│ │Exit│           │
├─────────────────────────────────────────────────────────────────────────────┤
│                                                                              │
└─────────────────────────────────────────────────────────────────────────────┘
```

*Figure 5.5.4  The dialogue for the display and maintenance of the VAT unit*

```
┌─────────────────────────────────────────────────────────────────────────────┐
│ ▭              BRS  -  Employer Unit                              ▼ ▲        │
├─────────────────────────────────────────────────────────────────────────────┤
│ File  Find  Link  Options  Help                                              │
├─────────────────────────────────────────────────────────────────────────────┤
│  Employer No.          12345860000    Created 270597    Modified 0000        │
│  Name        270597    NORWEGIAN CONTRACTORS MANAGEMENT AS                    │
│ ┌Address────────────────────────────────────────────────────────────────┐   │
│  Street/road   270597   JÅTTÅVÅGEN                              □□          │
│  Mail address           JÅTTÅVÅGEN                              □□          │
│                                                                              │
│  Post No.               4030   HINNA                                         │
│  Workpl.municip.  270597  1103  STAVANGER              ROGALAND              │
│  Social sec.office 270597 1103  STAVANGER                                    │
│                                                                              │
│  Status                 1                    Enterprise type □               │
│  Activity code   270597  □    □                                              │
│  Employment     270597   202      >29h 191   20-29h 8    4-19h 3             │
│  Local unit link         7653077                                             │
│                                                                              │
│  │New unit│ │Local 1│ │Ent│ │Legal 2│ │VAT│            │Corr│ │Exit│        │
│ ─────────────────────────────────────────────────────────────────────────── │
│ Date of name                                                                 │
└─────────────────────────────────────────────────────────────────────────────┘
```

*Figure 5.5.5  The dialogue for the display and maintenance of the employer unit*


## 5.5.1  Functions in the display and maintenance dialogues

The functions are available via menus in the menu bar.  Some functions are also available via push buttons.

**Menus**

The dialogues have a common menu bar with some exceptions.  The menus are:

**File**      Miscellaneous functions: **New unit**, **Change** unit, **Correct** unit or **Exit** unit.

**Find**      For finding other units linked to the present unit.

**Link**      For linking the unit displayed in primary window to other units, the content of the menu depends on the relationships of the data model.  This does not exist in the dialogue for the display and maintenance of an *Enterprise*.

**Options**   For options regarding the use of the secondary window.

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## Push buttons

The following push buttons exist in all dialogues with the following exceptions: (i) the dialogues do not have a push button for finding units of their own entity type and (ii) the "**Change**" button does not exist in the dialogues for the *VAT* and the *Employer* units.

| | |
|---|---|
| **New unit** | Call function for *data entry* of new register unit after choice of entity type |
| **Empl** | Find and show *linked employer* unit in primary window |
| **Local** | Find and show *linked local* unit in primary window |
| **Ent** | Find and show *linked enterprise* unit in primary window |
| **Legal** | Find and show *linked legal* unit in primary window |
| **VAT** | Find and show *linked VAT* unit in primary window |
| **Change** | *Change* data of unit in data base after modification of fields of the dialogue |
| **Corr** | *Correct* data of unit in data base after modification of fields of the dialogue |
| **Exit** | *Exit dialogue*, and cancelling modifications not executed by the **Change** or **corr** commands |

## The functions/content of the menus

- The **File** menu

  All *file* menus have a common set of items with some exceptions.

  | | |
  |---|---|
  | **New unit** | Call function for *data entry* of new register unit after choice of entity type |
  | **Change** | *Change* data of unit in data base after modification of fields of the dialogue |
  | **Corr** | *Correct* data of unit in data base after modification of fields of the dialogue |
  | **Exit** | *Exit dialogue*, and cancelling modifications not executed by **Change** or **corr** commands |
  | Exceptions: | **Change** is *not* present for the *Employer* and *VAT* dialogues |

- The **Find** menu

  The *find* menu has functions for finding and retrieving units of other entity types linked to the present unit, either displayed in the primary or in the secondary window. For the secondary window there is also a function to find and retrieve any unit of any entity type.

  The menu has a *common* set of items; with *entity type dependent* sub-menus based on the relationships to other entity types. The items on the top level are:

  - **Find linked unit for primary window**
  - **Find linked unit for secondary window**
  - **Free search for secondary window**

  *Detailed description of the top level menu items:*

  **Find linked unit for primary window**      With *sub-menu* for finding and showing a linked unit based on the relationships of the data model.

  All *sub-menus* have the following set of common items with the exception that they do not have an item for finding units of their own entity type:

  | BRS - VAT Unit | ▼ ▲ |
  |---|---|

  **File**   **Find**   **Link**   **Options**   **Help**
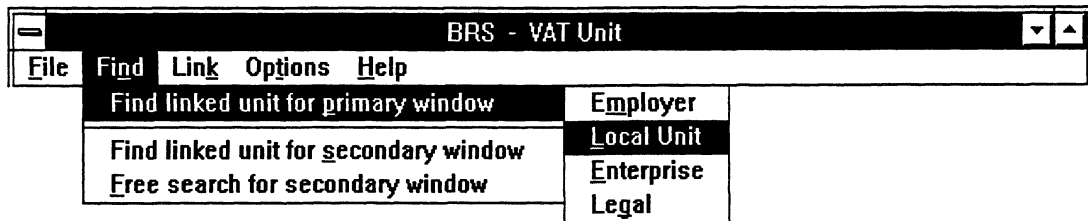
  | Find linked unit for primary window | Employer |
  |---|---|
  | Find linked unit for secondary window | Local Unit |
  | Free search for secondary window | Enterprise |
  | | Legal |

  | **Employer** | Find and show *linked employer* unit in primary window |
  |---|---|
  | **Local Unit** | Find and show *linked local unit* in primary window |
  | **Enterprise** | Find and show *linked enterprise* unit in primary window |
  | **Legal Unit** | Find and show *linked legal unit* in primary window |
  | **VAT Unit** | Find and show *linked VAT unit* in primary window |

  *The following are the entity type dependent sub-menu items:.*

  The sub-menu items for the *Legal unit* are:

  | BRS - Legal Unit | ▼ ▲ |
  |---|---|

  **File**   **Find**   **Link**   **Options**   **Help**

  | Find linked unit for primary window | Employer |
  |---|---|
  | Find linked unit for secondary window | Local Unit |
  | Free search for secondary window | Enterprise |
  | | VAT Unit |
  | | Owner of Legal unit |
  | | Owned Legal units |

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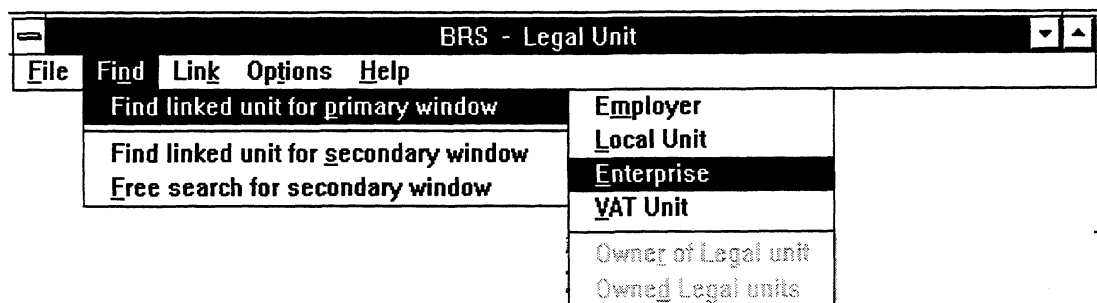
| | |
|---|---|
| **Owner of Legal Unit** | Find the *owner* legal unit, of the displayed *legal unit,* and show it in primary window. |
| **Owned Legal Units** | Call search function for finding and selecting the *owned* legal unit(s), of the displayed *legal unit,* and show it in primary window. |

The sub-menu items for the *Enterprise unit* are:

```
┌──────────────────────────────────────────────────────────────────────────┐
│ ▬                          BRS - Enterprise                        ▼ ▲    │
├────────────────────────────────────────────────────────────────────────--┤
│ File   Find   Options   Help                                              │
├───────────────────────────────────────┬──────────────────────────────────┤
│ Find linked unit for primary window    │ Employer                         │
├───────────────────────────────────────┤ Local Unit                       │
│ Find linked unit for secondary window  │ Legal Unit                       │
│ Free search for secondary window       │ VAT Unit                         │
└───────────────────────────────────────┼──────────────────────────────────┤
                                         │ Enterprise Group Head            │
                                         │ Enterprise Group members         │
                                         ├──────────────────────────────────┤
                                         │ 'New' Enterprise after 'take-over'│
                                         │ 'Old' Enterprise before 'take-over'│
                                         ├──────────────────────────────────┤
                                         │ 'Historical' Local Unit          │
                                         │ 'Historical' Legal Unit          │
                                         └──────────────────────────────────┘
```
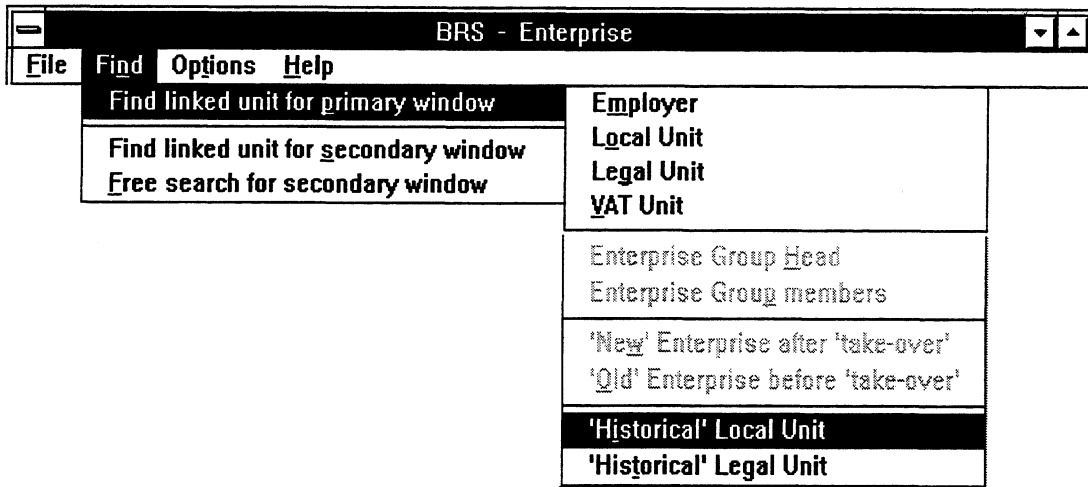
| | |
|---|---|
| **Enterprise Group Head** | Find the main enterprise ("Group Head"), of the same *enterprise group*, and show it in primary window. |
| **Enterprise Group members** | Call search function for finding and selecting another enterprise, belonging to the same *enterprise group,* and show it in primary window. |
| **"New" Enterprise after "take-over"** | Find "new" Enterprise that took over the former local units of this enterprise, and show it in primary window. |
| **"Old" Enterprise before "take-over"** | Find "old" Enterprise, that "lost" its former local units to this enterprise in a take-over transaction, and show it in primary window. |
| **"Historical" Local Unit** | Call search function for finding and selecting a *historically linked local unit,* of this enterprise, and show it in primary window. |

|                           |                                                                                                  |
|---------------------------|--------------------------------------------------------------------------------------------------|
| **"Historical" Legal Unit** | Call search function for finding and selecting a *historically linked legal unit*, of this enterprise, and show it in primary window. |

The sub-menu items for the *local unit* are:
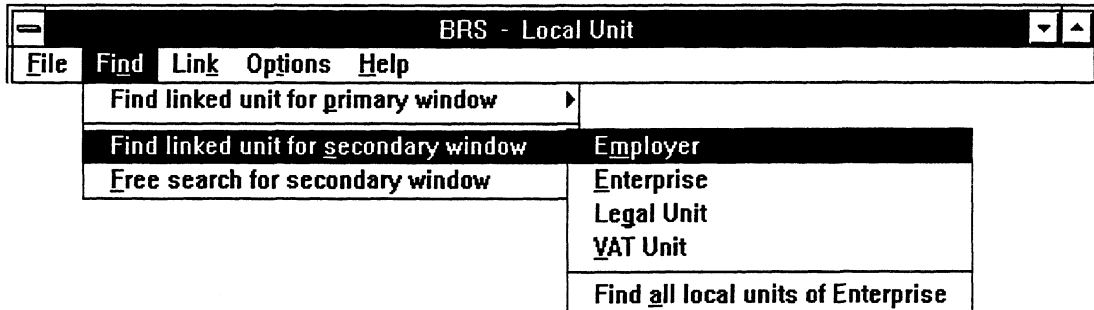
| BRS - Local Unit | ▼ ▲ |
|---|---|

| File | Find | Link | Options | Help |
|------|------|------|---------|------|

| Find linked unit for **p**rimary window | ▶ |
|---|---|

| Find linked unit for **s**econdary window | **E**mployer |
|---|---|
| **F**ree search for secondary window | **E**nterprise |
| | **L**egal Unit |
| | **V**AT Unit |
| | Find **a**ll local units of Enterprise |

|                                        |                                                                                                   |
|----------------------------------------|---------------------------------------------------------------------------------------------------|
| **Find all local units of Enterprise** | Call search function for finding and selecting another *local unit of the linked enterprise* and show it in primary window. |
| Reference Local Unit                   | Not yet active.                                                                                   |
| **Find linked unit for secondary window** | With *sub-menu* for finding and showing a linked unit based on the relationships of the data model. |
| **Free search for secondary window**   | Calls secondary search function to find a unit of any desired entity type.                        |

- The **Link** menu

    The *link* menu, where present, has functions for linking units of other entity types (or the same entity type) to the present unit. The functions will call the secondary search function to find and select a unit for linkage.

    The menu is entity type dependent based on the relationships of the present entity type to other entity types.

    The menu items for the ___Legal unit___ are:
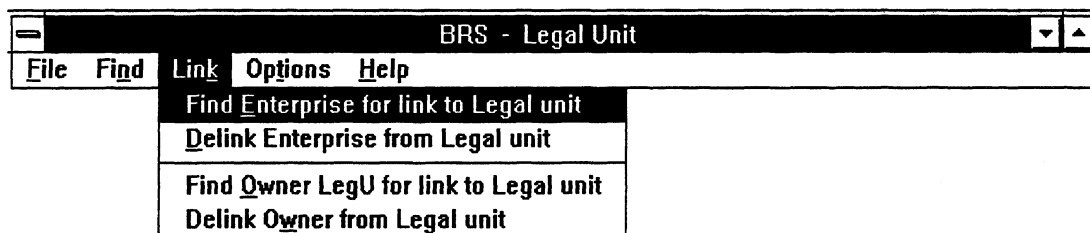
    | — | BRS  -  Legal Unit | ▼ | ▲ |
    |---|---|---|---|

    | <u>F</u>ile | Fi<u>n</u>d | Lin<u>k</u> | Op<u>t</u>ions | <u>H</u>elp |
    |---|---|---|---|---|

    | Find <u>E</u>nterprise for link to Legal unit |
    |---|
    | <u>D</u>elink Enterprise from Legal unit |

    | Find <u>O</u>wner LegU for link to Legal unit |
    |---|
    | Delink O<u>w</u>ner from Legal unit |

    | | |
    |---|---|
    | **Find <u>E</u>nterprise for link to LegU** | Call secondary search function for finding and selecting an *enterprise unit* for linkage to the present legal unit. |
    | **<u>D</u>elink Enterprise from LegU** | *Removes link to an enterprise* for the present legal unit. Item is enabled only if removal of link is permissible (e.g.: *If the linked enterprise (i) is still active and has more than one legal unit or (ii) is inactive. (ii) applies even if linked enterprise only is linked to the present legal unit. Removal of link if (ii), also implies that the inactive enterprise unit will not be linked to a legal unit.).* |
    | **Find <u>O</u>wner LegU for link to LegU** | Call secondary search function for finding and selecting another *legal unit as owner* of the present legal unit. |
    | **<u>D</u>elink Owner from LegU** | *Removes link to another legal unit as owner* of the present legal unit. Item is enabled only if there is at least one owner unit linked to the unit. |

The menu items for the *VAT unit* are:

```
┌──────────────────────────────────────────────────────────────────┐
│ ▭                          BRS - VAT Unit                     ▼ ▲ │
├──────────────────────────────────────────────────────────────────┤
│ File   Find   Link   Options   Help                                │
│              ┌─────────────────────────────────────────┐          │
│              │ Find LegU to link its Enterpr. to VATunit │          │
│              ├─────────────────────────────────────────┤          │
│              │ Find Enterprise for link to VATunit       │          │
│              │ Delink Enterprise from VAT unit           │          │
│              └─────────────────────────────────────────┘          │
└──────────────────────────────────────────────────────────────────┘
```
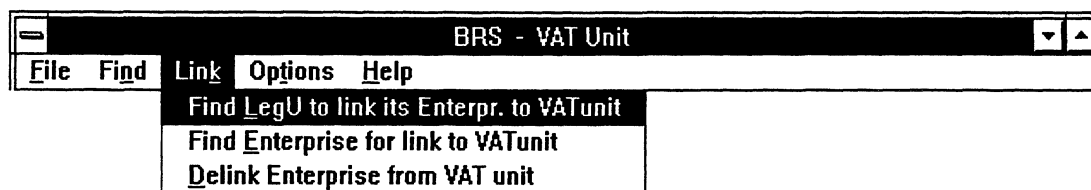
**Find LegU to link its Enterp. to VAT**

Call secondary search function for finding and selecting a legal unit to link its linked *enterprise unit* to the present VAT unit.

**Find Enterprise for link to VAT unit**

Call secondary search function for finding and selecting an *enterprise unit* to be linked to the present VAT unit.

**Delink Enterprise from VAT unit**

*Removes link to enterprise* for the present VAT unit. Item is enabled only if VAT unit is linked to an enterprise.

The menu items for the *Employer unit* are:

```
┌──────────────────────────────────────────────────────────────────┐
│ ▭                       BRS - Employer Unit                   ▼ ▲ │
├──────────────────────────────────────────────────────────────────┤
│ File   Find   Link   Options   Help                                │
│              ┌──────────────────────────────────┐                 │
│              │ Find Local unit for link to Employer │              │
│              ├──────────────────────────────────┤                 │
│              │ Delink Local unit from Employer   │                 │
│              └──────────────────────────────────┘                 │
└──────────────────────────────────────────────────────────────────┘
```
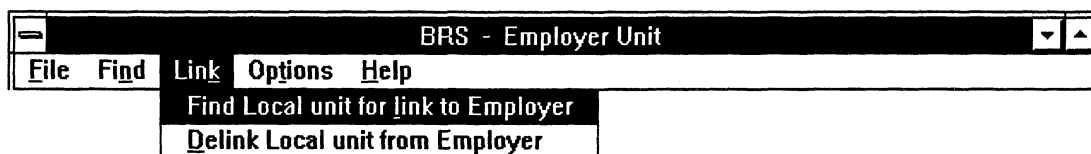
**Find Local unit for link to Employer**

Call secondary search function for finding and selecting a *local unit* to be linked to the present employer unit. *Note: The linkage transaction transfers the creation date of the local unit to the employer unit.*

**Delink Local unit from Employer unit**

*Removes link to local unit* for the present employer unit. Item is enabled only if employer unit *is linked to* an employer. *Note: When the local unit has been delinked, the creation date of the employer unit is deleted (set to '000000').*

The menu items for the *local unit* are:

```
┌───┬──────────────────────────────────────────────────────────────┬─────┐
│ ▬ │                    BRS  -  Local Unit                        │ ▼ ▲ │
├───┴─────┬──────┬──────────────────────────┬──────────────────────┴─────┤
│ File  Find │ Link │ Options   Help                                       │
└─────────┴──────┴──────────────────────────────────────────────────────┘
          │ Another Enterprise for takeover │
          │ New Enterprise for takeover      │
          └──────────────────────────────────┘
```
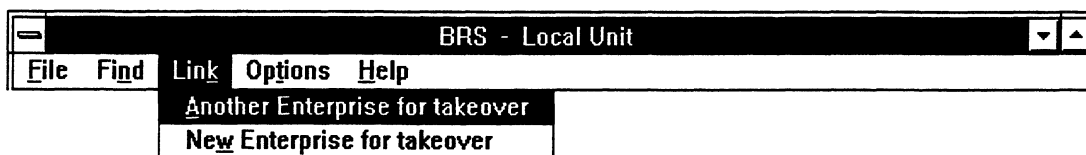
**Another Enterprise for take-over**

Calls the secondary search function for finding and selecting an *existing enterprise unit* for take-over of the LocU in place of the "old" enterprise. The ID.No. of the selected enterprise is inserted into the enterprise number field of the LocU to link the LocU to the selected "new" enterprise.

If a valid enterprise unit (e.g. an active unit) is not selected, the link to the previous enterprise of the local unit is reset.

The link process is only completed after a **Change** command (**File** menu or push button **Change**) by the user.

**New Enterprise for take-over**

A *new enterprise not previously registered* in the data base is to take over the running of the Local Unit. This starts a transaction where the **new** enterprise is entered into the data base and then *linked to* (i.e. taking over) the present *local unit* in place of the old enterprise. The started transaction is an *implicit* **Change** *operation*.

Activating this menu item calls the secondary search function for finding and selecting an existing legal unit the *new enterprise unit shall be linked to*. If a valid legal unit (i.e. a legal unit not previously linked to an enterprise) is not selected, or if other parts of the transaction is not completed, the link to the old enterprise of the local unit is reset.

An *implicit* **Change** *operation* means that the transaction will be fully completed in the data base without the user having to issue a separate **Change** command (in the **File** menu or with the push button <**Change**>).

- The **Options** menu

  The *options* menu has functions for controlling the use of the secondary window, see 5.2.1 above.

  | | |
  |---|---|
  | **Swap units** | Swap units between the primary and secondary window. |
  | **Show linked Unit in secondary window** | Secondary window will be displayed showing a linked (default) register unit. |
  | Show Enterprise Structure | Secondary window will be displayed showing structure information of the enterprise (**not yet available**). |
  | **No secondary window** | Secondary window will not be displayed.  Note: If the secondary search function is called for finding units for linkage or for display in the secondary window, the system will automatically reset this option and set the "**Show linked Unit in secondary window**" option. |

## 5.5.2 Sub-dialogues for controlling details of update transactions

The sub-dialogues are mainly for controlling details of update transactions of the local unit and the enterprise. These details are concerned with the eventual update of other units linked to the unit being updated in the transaction.

Sub-dialogue 1

If a local unit of a multi-unit enterprise is modified and the following variables are part of that modification,

- name
- activity code
- enterprise number (makes possible a take-over of all local units of an enterprise in one transaction)

then this sub-dialogue will prompt the user with an option to transfer the modified information or parts thereof to the other units of the enterprise.

Sub-dialogue 2

If a local unit of a single unit enterprise is modified and the following variables are part of the modification,

- name
- address
- activity code(s)
- status

then this sub-dialogue will prompt the user with an option to transfer the modified information or parts thereof to the enterprise of the local unit.

Sub-dialogue 3

If a single unit enterprise is modified and the following variables are part of the modification,

- name
- address
- activity code(s)
- status

then this sub-dialogue will prompt the user with an option to transfer the modified information or parts thereof to the local unit of the enterprise.

Sub-dialogue 4

If a take-over transaction of the local unit(s) of an enterprise leads to the situation that the enterprise will not have any local units connected, this sub-dialogue will prompt the user with an option put the enterprise into the status of non-activity.

There is one toggle button for each of the variables that may be transferred to the linked unit(s).

By default, the toggle buttons of the variable(s) modified by the user in the dialogue originating the transaction are enabled and marked by the system. The variable(s) not modified are disabled in the sub-dialogues.

If you only want to transfer the modified value of one variable, but not the other variable(s), deselect the variable(s) you do not want to transfer to the linked unit(s). You do this by unmarking the relevant toggle button(s).

The user options of sub-dialogues 1 - 4

In all these sub-dialogues there are three options available via push buttons:

| | |
|---|---|
| **Ok** | For the sub-dialogues 1 - 3 above this will lead to the transfer of information to the other linked unit(s) according to the description of the sub-dialogue. ' <br> Note: The user may deselect marked variables in the sub-dialogue so that only the marked variable type(s) will be affected by the transfer operation. <br> For the sub-dialogue 4 this will put the enterprise into a non-active status. |
| **No** | For the sub-dialogues 1 - 3 above this option will restrict the update transaction to the originating unit and leave the other linked units unaltered. <br> For the sub-dialogue 4 this will leave the status of the enterprise unaltered. |
| **Break** | This option will break the complete transaction of which the dialogue is part. All modified variables of the units taking part of the transaction, will be reset to their original status before the start of the update transaction. This rollback of the transaction will also include the rollback of the storage of a new enterprise in a take-over transaction. |

## 5.6    Dialogues for data entry of a new unit

## 5.6.1 The statistical and administrative registers

The BRS is essentially a *demonstration system*. Due to this the system has functions for the on-line entry of new units of the administrative registers (e.g. the *legal unit*, the *employer* and the *VAT* registers) in addition to the data entry functions for the statistical registers (e.g. the local unit and the enterprise units. The data entry functions of the BRS generate the identification numbers for all entity types according to the rules for this in the real world registers which originated the system (i.e. the Norwegian business register with the addition of copies of the legal unit, the employer and the VAT registers). This is a *practical solution* to facilitate the management of the demonstration data base. In the *real world situation*, these registers are managed by the respective administrative bodies which have full control of the register contents, including identification numbers. In the Norwegian real world system, copies of the administrative registers are updated at regular intervals by *batch* programs.

In the data model and the functionality of the BRS, the register of the legal units are regarded as an administrative register with the consequence that the units of this register as well as the *employer* and the *VAT* registers may exist *without being linked* to any unit of another entity type (i.e. a statistical register). This is reflected both in the data entry and the maintenance dialogues of the administrative units.

## 5.6.2 The data entry dialogues

The data entry dialogues can be described as belonging to two groups of dialogues. The first covers the entry of enterprise units and local units and the other covers the dialogues for the entry of legal units, VAT units and employer units.

**Enterprise and local units**

For the entry of enterprises and local units there are two dialogues:

- One standard dialogue covering the "normal situation" entry of units of both entity types.
- A special dialogue for the entry of a new enterprise in a *take-over transaction for a local unit*. A take-over transaction means that another enterprise takes over the running of the local unit. This means in practice that the link to the old enterprise is replaced by a link to the new enterprise unit.

The "standard" dialogue

The dialogue has two parts; an upper and a lower. The upper part is for enterprise data and the lower is for local unit data.

You may enter data for an enterprise and one of its local units in one transaction. Normally an enterprise will have to be entered with at least one local unit. But, in some cases (e.g. for investment enterprises) it is possible to enter the data of the enterprise only; without a local unit.

After completion of the data entry of an enterprise and a local unit, (i) the data fields of the enterprise part will still contain the data of the enterprise, but disabled, and (ii) the fields of the local unit part will be open for data entry of new local units. One data entry transaction will then cover one local unit linked to the enterprise.

If more local units are entered, there will be one data entry transaction per local unit. You may at any time leave the dialogue with the **Exit** command of the file menu or push button. If data are entered in the fields of the enterprise and/or local unit part of the dialogue *when issuing the Exit* command, the data base will *not be updated* with these data.

The entry of an enterprise unit depends logically on the linkage of the enterprise to a legal unit. This linkage will be performed automatically by the data entry transaction of the enterprise provided that:

- the data entry dialogue of the enterprise is started from a "non-linked" legal unit or
- a "non-linked" legal unit is selected by means of the secondary search facility when
  - the data entry function of the enterprise is started from the main user dialogue or
  - from the dialogue of an entity type, other than the legal unit and the enterprises, if this unit is not linked to an enterprise, either directly or indirectly.

If the data entry dialogue of the enterprise and local unit is started from an enterprise or a unit linked to an enterprise (either directly or indirectly) the dialogue will appear:

- with the data of the (linked) enterprise in the upper part of the dialogue in *disabled variable fields* for information purpose and
- with *enabled local unit variables* for data entry in the lower part.

<u>The "special dialogue" of the take-over transaction of the local unit</u>

This dialogue has the same basic layout as the standard dialogue, but the functioning is different. Only the variables of the enterprise part are open for data entry. The local unit part will display the local unit which is the object of the "take-over transaction". The enterprise part is by default filled with data from the respective fields of the legal unit which is selected to be responsible for the enterprise. *__The "old" enterprise is displayed in the secondary window.__*

After the dialogue is made active, you may:

- Correct the data fields of the new enterprise and store the unit in the data base by pressing the **OK** button or selecting the **OK** item of the File menu. When other sub-dialogues for handling other details of the transaction have been completed with acceptance of the update, the new enterprise will be stored and linked to the local unit.
- Cancel the data entry of the new enterprise. The "special dialogue" will be closed and the control returned back to the dialogue of the local unit where the take-over command was issued. The original link to the old enterprise will be restored, but other modifications of the variables of the local unit will be retained for
  - a Change or correct transaction for storing these modified variables or
  - an exit command also cancelling the modifications of these fields.
- Break the complete *take-over* / Change transaction of the local unit. The "special dialogue" as well as the local unit dialogue will be closed; none of the modifications of the local unit will be stored.

After the user accepts the data content and stores the new enterprise, control is passed back to the dialogue of the local unit originating the transaction. This dialogue will then control the remaining part of the transaction. It will eventually prompt the user with sub-dialogues to make the user decide the transfer or not of modified variables to linked units that may be involved in the transaction. The user may on these occasions also make the choice of breaking the complete transaction and reset the local unit together with the enterprise link back to its original status. For details of this, see the description of the sub-dialogues above.


## The Legal, VAT and Employer units

There is one dialogue for the data entry of each of these entity types. The dialogues have the same basic layout and functionality with entity type customisation depending on the relationships of the data model. The functionality also depends on the fact that these registers are the responsibility of external administrative bodies.

This means that new units in the administrative registers may be entered without any requirement of linkage to a unit of another entity type (i.e. a statistical register). They may also be modified while maintaining the non-linked status. A legal unit may also be linked to an owner (legal) unit without being linked to an enterprise.

## 5.6.3 Functions available in the data entry dialogues

All functions are available via menus in the menu bar. Selected functions are also available via push buttons.

<u>Menus</u>

The dialogues have a common menu bar with some exceptions. The available menus are:

**File**            Main purpose is to store data of a unit or exit from the dialogue.

**Find**            For finding other units for the secondary window (only in the *standard dialogue* for entry of enterprise/local unit).

**Options**         For options regarding the use of the secondary window (only in the *standard dialogue* for entry of enterprise/local unit).

**Help**            For calling the windows help function of BRS.

<u>The functions/content of the menus</u>

• The **File** menu

    All *file* menus have a common set of items with some exceptions.

    **Ok**              *Ok*, check and store the entered data of the unit in the data base.

    **Exit**            *Exit dialogue*, cancelling entered but not yet stored data (not in the *special dialogue* for entry of a new enterprise for take-over of the local unit).

    The *standard dialogue for the enterprise/local unit* has one additional menu item:

    **Copy Enterprise**    Copy the content of the *enterprise unit* part of the dialogue *into the local unit* part of the dialogue. The local unit data may then be edited before checking and storing the data (by the **Ok** menu/push button). The entered local unit is automatically linked to the enterprise in the upper part of the dialogue.

    The *special dialogue* for entry of a new enterprise for take-over of the local unit has two additional menu items:

    **Cancel**          *Cancel* entry of *new enterprise* unit giving control back to the local unit dialog and resetting the original value of of the enterprise link.

    **Break**           *Break complete transaction* including update of and exit from the Local Unit.

- The **Find** menu (only in the *standard dialogue* for entry of enterprise/local unit)

    The *find* menu has one item:

    **Free search for secondary window**    Calls secondary search function to find a unit of any desired entity type.

- The **Options** menu

    The *options* menu has functions controlling the use of the secondary window.

    **Show linked Unit in secondary window**    Secondary window will be displayed showing a linked (default) register unit.

    Show Enterprise Structure    Secondary window will be displayed showing structure information of the enterprise (not yet available).

    **No secondary window**    Secondary window will not be displayed.

### Push buttons

The following push buttons exist in all data entry dialogues.

**Ok**    *Ok*, check and store the entered data of the unit in the data base.

**Exit**    *Exit dialogue*, cancelling entered but not yet stored data (not in the *special dialogue* for entry of a new enterprise for take-over of the local unit).

**Cancel**    *Cancel* entry of *new enterprise* unit giving control back to the local unit dialog and resetting the original value of of the enterprise link (only in the *special dialogue* for entry of a new enterprise for take-over of the local unit).

**Break**    *Break complete transaction* including update of and exit from the Local Unit. (only in the *special dialogue* for entry of a new enterprise for take-over of the local unit).

The dialogue for the enterprise/local unit has one additional push button:

**Copy Ent**    Copy the content of the *enterprise unit* part of the dialogue *into the local unit* part of the dialogue. See also the **Copy Enterprise** menu item above.

## 5.7 The variable content in the dialogues of the entity types

Some of the variables of the entity types of the BRS are stored with a date and some without a date. The variable content of the entity types below is represented by a list of the fields as they appear in the dialogues. The existence of a date connected to the variable is indicated with: (*dated* variable) or (*dated* group) . Variables without date are left without any date reference.

## 5.7.1 The legal unit

| | |
|---|---|
| **Legal unit No.** | System generated identification number, not modifiable by the user. |
| **Creation date** | Date of creation of the legal unit, user defined in the data entry dialogue. Not modifiable in the dialogue for display and modification. |
| **Registration date** | Date of registration in the BRS, not modifiable by the user. |

**Name**
*(dated group)*        Comprising the variables:

| | |
|---|---|
| *Date of validity* | *Modifiable by the user* |
| **Legal name** | The legal name |
| **Trade name** | The trade name used by the legal unit |

**Address**
*(dated group)*        Comprising the variables:

| | |
|---|---|
| *Date of validity* | *Modifiable by the user* |
| **Street** | Official address |
| **Mail address** | Post box address or other mailing address |
| **Post No.** | Postal code of the mail address. Official address if mail address not available. |
| **Municipality** | The national municipality code |

**Status**        The status of the unit. Coded variable:

| | |
|---|---|
| I | Registered as active |
| S | NOT active |
| P | Liquidation petition |
| M | Bankruptcy petition |
| B | Liquidation and Bankruptcy petition |
| O | Cancellation of a liquidation |
| K | Cancellation of a bankruptcy |
| L | Cancellation of a liquidation and bankruptcy |

**Type**        Type of unit. Coded variable: Decided in meeting in Eurostat (5 May 1997):

| | |
|---|---|
| P | Principal legal unit |
| A | Ancillary legal unit |
| O | Other legal unit |

**Legal form**   The legal form of the unit. Coded variable according to the standard of the Norwegian Register of Legal Units:

| | |
|---|---|
| **ANNA** | Other legal person |
| **ANS** | General partnership |
| **AS** | Private limited company |
| **ASA** | Public limited company |
| **BA** | Company with limited responsibility |
| **BBL** | House building co-operative |
| **BEDR** | Local Unit |
| **BRL** | Housing co-operative |
| **DA** | General partnership with shared liability |
| **ENK** | Sole proprietorship |
| **EØFG** | European economic enterprise group |
| **FLI** | Association, society, club, union |
| **FYLK** | County |
| **GFS** | Mutual insurance company |
| **IKJP** | Other non legal persons |
| **KIRK** | Church of Norway |
| **KOMM** | Municipality |
| **KS** | Limited partnership |
| **KTRF** | Office partnership between sole proprietors (e.g. no separate legal unit) |
| **NUF** | Resident department of foreign business |
| **ORGL** | Organisation unit (only used in governmental sector) |
| **PRE** | Shipping partnership |
| **SF** | State owned company by special law |
| **SPA** | Savings Bank |
| **STAT** | State of Norway |
| **STI** | Foundation |
| **SÆR** | Other company according to special law |
| **VIFE** | Business partnership between sole proprietors (i.e. VAT act § 12.4) |
| **VPO** | Securities fund |

**Activity code**   Activity of the unit. Coded variable according to **NACE rev. 1.** (An ISIC code not modifiable by the user is generated by the system if possible)

**Institutional Sector**   Coded variable: National version of the institutional sector code according to **ESA** regulation.

**Owner link**   Comprising the variables:
*(dated group)*
    **Date of validity**   *Modifiable by the user*
    **ID No. of owner**   Identification number of the legal unit registered as the owner.
    **Owner percentage** Percentage owned by the "owner" legal unit

**Enterprise link**   Identification number of enterprise operated by the legal unit.
*(dated variable)*   ***Date of validity**, modifiable by the user.*

**Share capital**   Share capital to be paid in by the shareholders.

**Publish annual accts.** Whether the legal unit is obliged to publish annual accounts. Coded variable:

     Y    yes
     N    no


## 5.7.2 The enterprise unit

**Enterprise No.** System generated identification number, not modifiable by the user.

**Creation date** Date of creation of the enterprise unit, user defined in the data entry dialogue. Not modifiable in the dialogue for display and modification.

**Source of data** Source of the data of the unit, modifiable by the user. Coded variable:

     N    Register of legal units
     M    VAT register
     A    Register of employers
     S    Special survey
     X    Other survey or subject matter department
     U    Unknown source

**Name** The official name
*(dated variable)* *Date of validity, modifiable by the user.*

**Address data** Comprising the variables:
*(dated group)*
    *Date of validity*   *Modifiable by the user*
    **Street**     Official address
    **Post No.**    Postal code of the address
    **Municipality**   The national municipality code

**Phone** Telephone number

**Type** Type of unit. Coded variable:
*(dated variable)* *Date of validity, modifiable by the user.*

     1    Unit in single unit Enterprise
     2    Unit in multi-unit Enterprise
     4    Ancillary Unit
     8    Enterprise without any Local Unit

| | |
|---|---|
| **Status** | The status of the unit. Coded variable: |
| *(dated variable)* | ***Date of validity**, modifiable by the user.* |

    **0**      Investment Enterprise under creation
    **2**      Enterprise with NO active LocU
    **3**      "Pro forma" Enterprise Unit (to protect company or trade name)
            **(Value *obsolete* ?)**
    **4**      Ceased Enterprise *(Status date = Cessation date)*
    **7**      Removed because of "erroneous registration"
    **8**      Removed because of "duplicate registration"
    **9**      Active enterprise unit

| | |
|---|---|
| **Activity code** | Principal activity and max. two secondary activities of the enterprise. Coded variables according to **NACE rev. 1**. together with respective ISIC code. |
| *(dated variables)* | ***Date of validity**, modifiable by the user. Separate date recordings for each single code (principal and secondary activities of NACE and ISIC.* |

| | |
|---|---|
| **Institutional Sector** | Coded variable: National version of the institutional sector code according to the **ESA** regulation. |
| *(dated variable)* | *Date of validity, modifiable by the user.* **Date not yet implemented.** |

| | |
|---|---|
| **Employment** | Comprising the variables: |
| *(dated group)* | |
| ***Date of validity*** | *Modifiable by the user* |
| **Employment** | Average number of employed persons over the year. |
| **Employm. NA** | Employment unknown. Coded variable: |
| | **U**      Unknown employment |
| | **blank**  Employment entered |

| | |
|---|---|
| **Net turnover** | Comprising the variables *(Not yet modifiable by the user)*: |
| *(dated* group) | |
| ***Date of validity*** | *Not yet modifiable by the user* |
| **Turnover** | Net turnover of the enterprise (in 1,000 kr). |
| **Turnover NA** | Net turnover unknown. Coded variable: |
| | **U**      Unknown turnover |
| | **blank**  Turnover entered |

| | |
|---|---|
| **Net assets** | Net assets of enterprise. *Not yet modifiable by the user.* |
| *(dated variable)* | ***Date of validity**, presently not modifiable by the user.* |

## 5.7.3 The local unit

**Local Unit No.**      System generated identification number, not modifiable by the user.

**Creation date**      Date of creation of the local unit, user defined in the data entry dialogue. Not modifiable in the dialogue for display and modification.

**Source of data**      Source of the data of the unit, modifiable by the user. Coded variable:

| | |
|---|---|
| N | Register of legal units |
| M | VAT register |
| A | Register of employers |
| S | Special survey |
| X | Other survey or subject matter department |
| U | Unknown source |

**Name**      Trade name.
*(dated variable)*      *Date of validity, modifiable by the user.*

**Description**      Short verbal description (keywords) on the character of the unit.

**Address data**      Comprising the variables:
*(dated group)*
   **Date of validity**      *Modifiable by the user*
   **Street**      Physical address.
   **Post No.**      Postal code of the address.
   **Municipality**      The national municipality code.

**Type**      Type of unit. Coded variable:
*(dated variable)*      *Date of validity, modifiable by the user.*

| | |
|---|---|
| 1 | Local unit in single unit Enterprise |
| 2 | Main local unit in multi-unit Enterprise |
| 3 | Other local unit in multi-unit Enterprise |
| 4 | Ancillary Unit |

**Status**      The status of the unit. Coded variable:
*(dated variable)*      *Date of validity, modifiable by the user.*

| | |
|---|---|
| 0 | Investment local unit, under creation. |
| 1 | "Large" industrial local unit, temporarily cessated |
| 2 | "Other" local unit, temporarily ceased |
| 4 | Ceased local unit  (*Status date* = *Cessation date*) |
| 7 | Removed because of "error registration" |
| 8 | Removed because of "duplicate registration" |
| 9 | Active local unit |

**Activity code**      Principal activity and max. two secondary activities of the enterprise. Coded variables according to **NACE rev. 1.** together with respective ISIC code.
*(dated* variables)      *Date of validity, modifiable by the user. Separate date recordings for each single code (principal and secondary activities of NACE and ISIC.*

| **Employment** | Comprising the variables: |
|---|---|
| *(dated group)* | |
| Date of validity | *Modifiable by the user* |
| **Employment** | Average number of employed persons over the year. |
| **Employm. NA** | Employment unknown. Coded variable: |

| | |
|---|---|
| **U** | Unknown employment |
| **blank** | Employment entered |

| **Turnover** | Comprising the variables: |
|---|---|
| *(dated group)* | |
| Date of validity | *Modifiable by the user* |
| **Turnover** | Turnover of the local unit (in 1,000 kr). |
| **Turnover NA** | Turnover unknown. Coded variable: |

| | |
|---|---|
| **U** | Unknown turnover |
| **blank** | Turnover entered |

| **Enterprise No.** | IdentificationNo. of the enterprise responsible for the activity of the local unit |
|---|---|
| *(dated variable)* | *Date of validity, modifiable by the user.* |

## 5.7.4 The VAT unit

| **VAT Unit No.** | System generated identification number, not modifiable by the user. |
|---|---|
| **Creation date** | Date of creation of the VAT unit, user defined in the data entry dialogue. Not modifiable in the dialogue for display and modification. |
| **Date of modification** | Date of modification of the data of the VAT unit, not modifiable by the user. |
| **Name** | Name of the VAT unit. |
| **Address** | Comprising the variables: |

| **Street** | Official address. |
|---|---|
| **Mail address** | Post box address or other mailing address. |
| **Post No.** | Postal code of the mail address. Official address if mail address not available. |
| **Municipality** | The national municipality code. |

| **Activity code** | Activity of the unit. Coded variable according to **NACE rev. 1**. (An ISIC code not modifiable by the user is generated by the system if possible) |
|---|---|

| Type | Type of unit. Coded variable according to standard set by the national VAT authority: |
|---|---|

| | |
|---|---|
| 1 | Single owner |
| 2 | Responsible undertaking |
| 3 | Limited undertaking |
| 4 | Foreigner, registered with representative |
| 5 | Public undertaking |
| 6 | Unit in bankruptcy |
| 7 | Charitable institution |
| 0/' ' | Information not available |

| Status | The status of the unit of the national VAT authority. Coded variable: |
|---|---|

| | |
|---|---|
| A | Active VAT unit |
| S | Non active VAT unit |

**Year of turnover**   Year of the reported turnover.

**Turnover**   Turnover reported to the VAT authorities.

**Value added**   Reported value added by the VAT unit.

**VAT**   Paid in VAT amount.

**Enterprise link**   Identification Number of enterprise linked to the VAT unit.
*(dated variable)*   *Date of validity, modifiable by the user.*

## 5.7.5 The employer unit

**Employer No.**   System generated identification number, not modifiable by the user.

**Creation date**   Date of creation of the employer unit, user defined in the data entry dialogue. Not modifiable in the dialogue for display and modification.

**Date of modification**   Automatic generated date of modification, not modifiable by the user.

**Name**   The name of the employer unit.
*(dated variable)*   *Date of validity, modifiable by the user.*

**Address data**   Comprising the variables:
*(dated group)*
    **Date of validity**   Modifiable by the user
    **Street**   Name of location, street and number.
    **Mail address**   Post box address or other mailing address.
    **Post No.**   Postal code of the mail address. Official address if mail address not available.

**Workpl.municip.**   The national municipality code of the employment activity.
*(dated variable)*   *Date of validity, modifiable by the user.*

**Social sec.office**
*(dated variable)*

The national municipality code of the local social security office.
*Date of validity, modifiable by the user.*

**Enterprise type**

Type of unit. Coded variable (as used in the social security administration):

| | |
|---|---|
| **H** | Leader or captain |
| **O** | Public administration |
| **S** | Central government enterprise |
| **F** | Enterprise established by county administration |
| **K** | Municipal enterprise |
| **blank** | Other |

**Status**

Status. Coded variable (as used in the social security administration):

| | |
|---|---|
| **1** | In normal Activity |
| **2** | Sporadic activity |
| **3** | One time payment |
| **4** | Moved |
| **8** | Ceased unit |
| **9** | Removed |

**Activity code**

Activity of the unit. Coded variable according to **NACE rev. 1.** (An ISIC code not modifiable by the user is generated by the system if possible)

*(dated variable)*

*Date of validity, modifiable by the user.*

**Employees**
*(dated group)*

Comprising the variables:

| | |
|---|---|
| **Date of validity** | Modifiable by the user |
| **Total Employees** | Total number of employees. |
| **>29h.** | Number of employees with more than 29 hours per week. |
| **20-29h.** | Number of employees with 20 - 29 hours per week. |
| **4-19h.** | Number of employees with 4 - 19 hours per week. |

**Local unit link**

Identification Number of the local unit linked to the employer unit.

# 6 Register management when new units appear in the administrative registers

This chapter gives some guidelines on how the user may address the situation when a new unit is detected in the administrative registers (i.e. the VAT register, the employer register or the legal unit register).

When the user is starting BRS, a function will automatically check the data base for the existence of new units in the administrative registers (i.e. units not yet linked to any unit of the statistical registers of the BRS). If new units exist, the user will be prompted with an informationdialogue

- displaying the number of non-linked units in each of the administrative registers and
- asking the user to chose whether to start with a search for
  - non-linked units or
  - any entity type
  in the data base.

After the choice has been made, the main query function of the main user dialogue starts up according to the choice in the information dialogue.

The user may retrieve one of the non-linked units by means of the search and retrieval functions of the BRS and proceed to link the unit to another unit of the required entity type. The linking procedure is basically the same for every entity type, with entity type differences according to the data model). All dialogues of the relevant entity types have a **Link** menu. The **Link** menus of the dialogues have the relevant data model dependent menu items for the linkage of the actual entity type.

## 6.1 The legal unit

The legal unit may be linked to

- an enterprise unit or
- another legal unit ("Owner").

To link the legal unit to an enterprise or to another legal unit (e.g. owner unit):

- Select the respective item of the Link menu. This initiates the secondary search facility with the name and address of the legal unit as default.
- Adapt the search argument to your needs and press the push button of the register where you want to search to find a unit to be linked to the legal unit.
- If the search argument result in a list of units, select one.
- When a unit is found, or selected, the ID.No. of the unit is inserted into the relevant linkage field together with a default date. Details of the found/selected unit are displayed in the secondary window for information purposes.
- If you accept the found/selected unit for linkage, press the push button **Change** to complete the transaction and store the link in the data base.

Alternatively you may manually insert the date of the linkage and the ID-No. of the unit to be linked, and then press the push button **Change**.

## 6.2 The VAT unit

The VAT unit may be linked to

- an enterprise unit

To perform the linkage, you have two options. You may

- either : search for a legal unit for the (indirect) linkage of its enterprise to the VAT unit
- or : search for an enterprise to be linked (directly) to the VAT unit

To link the VAT unit to an enterprise:

- Select the respective item of the Link menu. This initiates the secondary search facility with the name and address of the VAT unit as default.
- Adapt the search argument to your needs and press the push button of the register where you want to search to find a unit to be linked to the VAT unit.
- If the search argument result in a list of units, select one for linkage.
  - If you have initiated a search for legal units and a valid legal unit is not found or you have interrupted the process so far by pressing the Exit push button, the BRS will by default restart the secondary search function to search for an enterprise unit.
- When a unit is found, or selected, the ID.No. of the unit is inserted into the linkage field together with a default date. Details of the found/selected unit are displayed in the secondary window for information purposes.
- If you accept the found/selected unit for linkage, press the push button Corr to complete the transaction and store the link in the data base.

Alternatively you may manually insert the date of the linkage and the ID-No. of the unit to be linked, and then press the push button Corr.


## 6.3 The employer unit

The employer unit may be linked to

- a local unit

To link the employer unit to a local unit:

- Select the relevant item of the Link menu. This initiates the secondary search facility with the name and address of the employer unit as default.
- Adapt the search argument to your needs and press the push button of the register where you want to search to find a unit to be linked to the employer unit.
- If the search argument result in a list of units, select one for linkage.
- When a unit is found, or selected, the ID.No. of the unit is inserted into the linkage field. Details of the found/selected unit are displayed in the secondary window for information purposes.
- If you accept the found/selected unit for linkage, press the push button Corr to complete the transaction and store the link in the data base.

Alternatively you may manually insert the date of the linkage and the ID.No. of the unit to be linked, and then press the push button Corr.

# Annex 1

COUNCIL REGULATION (EEC) No 2186/93
of 22 July 1993
on Community coordination in drawing up business registers
for statistical purposes

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 213 thereof,

Having regard to the proposal from the Commission,

Whereas the Single Market increases the need to improve statistical comparability in order to meet Community requirements; whereas, in order to achieve that improvement, common definitions and descriptions have to be adopted for enterprises and other relevant statistical units to be covered ;

Whereas registers should be drawn up and updated in order to be able to collect information on these units ;

Whereas there is a growing need for information on the structure of enterprises, a need which current Community statistics are not able to meet ;

Whereas business registers for statistical purposes are a necessary tool in keeping track of the structural changes in the economy brought about by such operations as joint ventures, partnerships, buy-outs, mergers and takeovers;

Whereas the important role played by public undertakings in the national economies of the Member States has been acknowledged, particularly in Commission Directive 80/723/EEC (1), Article 2 of which also defines such undertakings; whereas they should therefore be identified in business registers ;

Whereas some statistics are not currently available, particularly in sectors with many small and medium-sized enterprises (SMEs), such as services, because a register of these enterprises for statistical purposes does not exist ;

Whereas business registers are one element in reconciling the conflicting requirements for increased information on enterprises and lightening their administrative burden, in particular by using existing information in administrative and legal registers, especially in the case of SMEs, pursuant to recommendation 90/246/EEC (2) ;
Whereas business registers for statistical purposes represent a basic element of systems of information on enterprises, making it possible to organize and coordinate statistical surveys by providing a sampling base, possibilities of extrapolation and means of monitoring the replies from enterprises, in particular those covered by Directives 78/660/EEC (3) and 83/349/EEC (4) ;

Whereas the setting-up of a new statistical collection system covering trade in goods and services between Member States necessitates a register of those persons required to give information; whereas

it is desirable to derive that register of persons required to give information from a central register of enterprises used for statistical purposes ;

Whereas the business registers for statistical purposes are at a different stage of development in each Member State; whereas the long and costly development of these registers can be carried out only in two stages, the first of which must relate to harmonization of the basic units in those registers in accordance with an established timetable,

HAS ADOPTED THIS REGULATION:

Article 1

Aims

Member States shall set up for statistical purposes one or more harmonized registers with the definitions and scope specified in the following Articles.

Article 2

Definitions

1. For the purposes of this Regulation:

(a) 'legal unit' shall mean a legal unit as defined in Section II.A.3 of the Annex to Regulation (EEC) No 696/93 (5) ;

(b) 'enterprise' shall mean an enterprise as defined in Section III.A of the Annex to that Regulation.

Hereinafter the connection between the enterprise and the legal unit shall be expressed as follows :

- the enterprise is attached to one or more legal units, and
- the legal unit is responsible for the enterprise ;

(c) 'local unit' shall mean a local unit as defined in Section III.F of the Annex to Regulation (EEC) No 696/93.

Hereinafter the connection between the local unit and the enterprise shall be expressed as follows :

- the local unit is dependent on an enterprise.

2. This Regulation shall apply only to units which exercise wholly or partially a productive activity.

Article 3

Scope

1. In accordance with the definitions given in Article 2 and subject to the limitations specified in this Article, registers shall be compiled of :

- all enterprises carrying on economic activities contributing to the gross domestic product at market prices (GDP),

- the legal units responsible for those enterprises,
- the local units dependent on those enterprises.

This requirement shall not, however, apply to households :

- in so far as the goods they produce are for their own consumption,
- in so far as the services they produce involve the letting of own or leased property (group 70.2 of the statistical classification of economic activities in the European Community (NACE Rev. 1) established by Regulation (EEC) No 3037/90 (6)).

The inclusion of :
- enterprises the main activity of which falls within Section A, B or L of NACE Rev. 1,
- legal units responsible for them,
- local units dependent on them,

shall be optional.

The extent to which small enterprises of no statistical importance to the Member States are to be included on the registers shall be decided under the procedure laid down in Article 9.

2. The enterprises, legal units and local units referred to in paragraph 1 shall be registered in accordance with the timetable set out in Annex I.

3. Separate registration of legal units shall be optional, provided that the total content of information for such units is included in the register entry for enterprises.

The rules for such registration shall be adopted in accordance with the procedure laid down in Article 9.

## Article 4

## Register characteristics

The units listed in a register shall be characterized by an identity number and the descriptive details specified in Annex II.

## Article 5

## Updating

1. The following shall be updated at least once a year :

(a)     entries to, and removals from, the register ;
(b)     the variables set out in points (b) and (f) of Annex II (1) ;
(c)     for units which are the subject of annual surveys, the variables set out in points (b), (c), (d),
(e) and (h)     of Annex II (3) in so far as those variables are included in the surveys.

As a general rule, information obtained from administrative files or annual surveys shall be updated annually, other information being updated every four years.

2. At the end of the first quarter of each calendar year, Member States shall make a copy of the register as it stands on that date and keep that copy for 10 years for the purpose of analysis.

## Article 6

Access to information

When the Commission so requests, after obtaining the opinion of the Committee provided for in Article 9, Member States shall carry out statistical analyses of the registers and transmit the results, including the data declared confidential by the Member States pursuant to national legislation or practice concerning statistical confidentiality, in accordance with Council Regulation (Euratom, EEC) No 1588/90 of 11 June 1990 on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities (7).

## Article 7

### Access to administrative or legal registers

Each national statistical institute shall be authorized to collect for statistical purposes information covered by this Regulation which is contained in the administrative or legal files compiled on its national territory, in accordance with the conditions determined by national law.

## Article 8

### Implementing rules

The rules for implementing Articles 3, 4, 5 and 6 and Annexes I and II, as well as the measures required to adapt those rules and any derogations from Articles 3, 4 and 5 or from the Annexes, shall be adopted in accordance with the procedure laid down in Article 9.

## Article 9

### Procedure

1.    The Commission representative shall submit to the Statistical Programme Committee set up by Decision 89/382/EEC/Euratom (8) a draft of the measures to be adopted. The Committee shall deliver its opinion on that draft within a time limit which the chairman may lay down according to the urgency of the matter. The Committee shall deliver its opinion by the majority laid down in Article 148 (2) of the Treaty for the adoption of decisions which the Council is required to take on a proposal from the Commission. The votes of the representatives of the Member States within the Committee shall be weighted in the manner set out in that Article. The chairman shall not vote.

2. (a)   The Commission shall adopt measures which shall apply immediately.
   (b)   However, if the measures are not in accordance with the opinion of the Committee, they shall be communicated by the Commission to the Council forthwith. In that event, the Commission shall defer application of the measures on which it has decided for three months from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within the time limit laid down in the foregoing subparagraph.

## Article 10

### Commission report

Within four years of the date of adoption of this Regulation, the Commission shall submit a report to the Council on the implementation of the Regulation which may be accompanied by suitable proposals taking into account the experience gained.

Article 11

This Regulation shall enter into force on the 20th day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 22 July 1993.

For the Council
The President
M. OFFECIERS-VAN DE WIELE

Notes :
(1) Commission Directive 80/723/EEC of 25 June 1980 on the transparency of financial relations between Member States and public undertakings (OJ No L 195, 29. 7. 1980, p. 35). Directive as amended by Directive 85/413/EEC (OJ No L 229, 28. 8. 1985, p. 20).

(2) Council recommendation 90/246/EEC of 28 May 1990 relating to the implementation of a policy of administrative simplification in favour of small and medium-sized enterprises in the Member States (OJ No L 141, 2. 6. 1990, p. 55).

(3) Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54 (3) (g) of the Treaty on the annual accounts of certain types of companies (OJ No L 222, 14. 8. 1978, p. 11). Directive as last amended by Directive 90/605/EEC (OJ No L 317, 16. 11. 1990, p. 60).

(4) Seventh Council Directive 83/349/EEC of 13 June 1983 based on Article 54 (3) (g) of the Treaty on consolidated accounts (OJ No L 193, 18. 7. 1983, p. 1). Directive as last amended by Directive 90/605/EEC (OJ No L 317, 16. 11. 1990, p. 60).

(5) Council Regulation (EEC) No 696/93 of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community (OJ No L 76, 30. 3. 1993, p. 1).

(6) OJ No L 293, 24. 10. 1990, p. 1.

(7) OJ No L 151, 15. 6. 1990, p. 1.

(8) OJ No L 181, 28. 6. 1989, p. 47.

ANNEX I

Timetable for registration in the register

The enterprises defined in Article 2 and registered in conformity with Article 3 shall be entered in the register before 1 January 1996. Legal and local units shall be allowed an extra year.

ANNEX II

Identity number and descriptive details

1. The register entry of a legal unit shall contain the following information :

(a) identity number ;

(b) name, address (including postcode), and optionally: telephone, electronic mail and fax numbers and telex address ;

(c) requirement for the legal unit to publish its annual accounts (Yes/No) ;

(d) date of incorporation for legal persons or date of official recognition as an economic operator for natural persons ;

(e) date on which the legal unit ceases to be legally responsible for an enterprise ;

(f) legal form of the unit ;

(g) name and address of any non-resident legal unit, other than a natural person, which controls the legal unit (optional) ;

(h) identity number of the legal unit in the register which controls the legal unit (optional) ;

(i) character of 'public undertaking' of the legal unit within the meaning of Commission Directive 80/723/EEC (1) (Yes/No) (for legal persons only) ;

(j) reference to other associated files, including customs files, in which the legal unit is recorded and which contain information which can be used for statistical purposes ;

(k) reference to the register of intra-Community operators drawn up in accordance with Council Regulation (EEC) No 3330/91 of 7 November 1991 on the statistical relating to the trading of goods between (2).

2. The record of a local unit shall contain the following information :

(a) identity number ;

(b) name, address and other identifying information as set out in paragraph 1 (b) of this Annex ;

(c) activity code at the four-digit (class) level of NACE Rev. 1 ;

(d) secondary activiites, if any, at the four-digit level of NACE Rev. 1 (optional) ;

(e) size of labour force, as indicated in paragraph 3 (e) of this Annex ;

(f) date of commencement of the activities the codes of which are given in (c) ;

(g) date of final cessation of activities ;

(h) geographical location code (territorial units) ;

(i) reference to associated registers in which the local unit appears and which contain information which can be used for statistical purposes ;

(j) identify number in the register of the enterprise on which the local unit is dependent ;

(k) activity carried out in the local unit constituting an ancillary activity of the enterprise on which it depends (Yes/No).

3. The record of an enterprise shall contain the following information :

(a) identify number ;

(b) identity number(s) of the legal unit(s) legally responsible for the enterprise ;

(c) activity code of the enterprise at four-digit (class) level of NACE Rev. 1 in which the principal activity or all the activities of the enterprise is or are included ;

(d) secondary activities, if any, at NACE Rev. 1 four-digit level, if they amount to 10 % of the total for all activities of the gross value added at factor cost for each or account for 5 % or more of national activity of this type; this point concerns only enterprises which are the subject of surveys ;

(e) size: measured by the number of persons occupied or, failing that, by allocation to one of the following classes according to the number of persons occupied: 0; 1; 2; 3 to 4; 5 to 9; 10 to 19; 20 to 49; 50 to 99; 100 to 149; 150 to 199; 200 to 249; 250 to 499; 500 to 999; 1 000; above 1 000, the number of thousands ;

(f) date of commencement of activities of the enterprise ;

(g) date of final cessation of activities of the enterprise ;

(h) net turnover from sale of goods and services (except for financial intermediaires); falling that, allocation to a size class defined as follows (in millions of ecus): [0, 1]; [1, 2]; [2, 4]; [4, 5]; [5, 10]; [10, 20]; [20, 40]; [40, 50]; [50, 100]; [100, 200]; [200, 500]; [500, 1 000]; [1 000, 5 000]; 5 000 + (optional for turnover not exceeding ECU 2 million) ;

(i) net assets (assets after allowing for depreciation less liabilities financial intermediarieds only (optinal).

Notes on annex II:

(1) OJ No L 195, 29. 7. 1980, p. 35.
(2) OJ No L 316, 16. 11. 1991, p. 1. Regulation as amended by Regulation (EEC) No 3046/92 (OJ No L 307, 23. 10. 1992, p. 27).

# Annex 2

COUNCIL REGULATION (EEC) No 696/93
of 15 March 1993
on the statistical units for the observation and analysis of the production system
in the Community

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 100a thereof,

Having regard to the proposal from the Commission (1),

In cooperation with the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas the functioning of the internal market requires statistical standards applicable to the identification of units and the collection, transmission and publication of national and Community statistics in order to make reliable and comparable information available to enterprises, financial institutions, governments and all other operators in the internal market;

Whereas statistical information on the production system will be necessary to enterprises for assessing their competitiveness and be useful to the Community institutions in the prevention of distortion of competition;

Whereas in accordance with the principle of subsidiarity the creation of common statistical norms that permit the production of harmonized data is an action which can only be undertaken efficiently at Community level and whereas those norms will be applied in each Member State under the authority of the bodies and institutions in charge of compiling official statistics;

Whereas only if the Member States use common definitions of statistical units will it be possible to provide integrated statistical information with the reliability, speed, flexibility and degree of detail required for the management of the internal market;

Whereas provision should be made for the Member States to be able, in order to meet specific requirements, to retain or introduce other statistical units in their national nomenclatures for the observation and analysis of the production system;

Whereas the choice of statistical units to be used in particular enquiries or analyses will be determined in specific texts;

Whereas utilization of the statistical classification of economic activities in the European Communities hereafter referred to as NACE Rev. 1 provided for in Regulation (EEC) No 3037/90 (4)

and application of the European System of Integrated Economic Accounts (ESA) require standard definitions of statistical units for registers, surveys and the presentation and analysis of statistics;

Whereas the Committee set up by Regulation (EEC) No 3037/90 is competent for the 'elaboration of guidelines for classifying statistical units in accordance with NACE Rev. 1' but the units must be defined elsewhere;

Whereas it is vital that the statistical units classified according to the NACE Rev. 1 be defined in the same way in all Member States in order to ensure comparability between the corresponding national and Community statistics;

Whereas it is desirable to limit the number of statistical units used for the production system;

Whereas the international comparability of economic statistics requires that the Member States and the Community institutions use statistical units which are directly linked to the descriptions given in the introduction to the United Nations International Standard Industrial Classification (ISIC REV 3) and the United Nations System of National Accounts documents;

Whereas the production system is made up of all entities involved in production and all economic and financial operations carried out by those entities;

Whereas the introduction of strict application of these units throughout the Community requires a transitional period,

HAS ADOPTED THIS REGULATION:

## Article 1

A list of statistical units (hereinafter referred to as 'statistical units of the production system') as set out in the Annex hereto together with the criteria used, the definitions of the units and explanatory notes is hereby established.

## Article 2

The definitions of the statistical units of the production system shall be used by the Member States and the Commission to identify the units with a view to collecting, transmitting, publishing and analysing statistical data on the production system, particularly those connected with NACE Rev. 1.

## Article 3

From 1 January 1994, for the objectives referred to in Article 2, Member States shall use the definitions referred to in Article 1 for statistics relating to situations subsequent to that date.

## Article 4

1.      During a transitional period running from 1 January 1994 to 31 December 1995, a Member State may, for statistics relating to that period, use statistical units of the production system other than those provided for in Article 1. In such cases the statistical data to be sent to the Commission during

the transitional period shall be adapted and transmitted to conform as closely as possible to the Annex.

2. The Commission may, in exceptional circumstances, at the request of a Member State and for duly substantiated technical or practical reasons, extend the transitional period until no later than 31 December 1997.

## Article 5

After the end of the transitional period referred to in Article 4 the Commission may, pursuant to the prodcedure laid down in Article 6, authorize a Member State to use other statistical units of the production system.

## Article 6

Measures for implementing this Regulation, including those for adaptation to economic and technical developments concerning in particular the statistical units of the production system, the criteria used and the definitions specified in the Annex, shall be determined in accordance with the procedure laid down in Article 7.

## Article 7

1. The representative of the Commission shall submit to the Statistical Programme' Committee set up by Decision 89/382/EEC, Euratom (5) a draft of the measures to be taken. The Committee shall deliver its opinion on the draft within a time limit which the Chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the Committee shall be weighted in the manner set out in that Article. The Chairman shall not vote.

2. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the opinion of the Committee, they shall be communicated by the Commission to the Council forthwith. In that event, the Commission shall defer application of the measures which it has decided for a period of three months from the date of such communication.

3. The Council, acting by qualified majority, may take a different decision within the time limit referred to in paragraph 2.

## Article 8

The statistical units of the production system referred to in a Community act governing Community statistics shall be interpreted in accordance with the concepts and terminology of this Regulation.

## Article 9

This Regulation shall enter into force on the 20th day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 15 March 1993.

For the Council
The President
M. JELVED

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Notes:
(1) OJ No C 267, 16. 10. 1992, p. 3.
(2) OJ No C 337, 21. 12. 1992; and Decision of 10 February 1993 (not yet published in the Official Journal).
(3) OJ No C 19, 25. 1. 1993, p. 60.
(4) OJ No L 293, 24. 10. 1990, p. 1.
(5) OJ No L 181, 28. 6. 1989, p. 47.

*ANNEX*

STATISTICAL UNITS OF THE PRODUCTION SYSTEM IN THE COMMUNITY

SECTION I

List of units

The list of statistical units of the production system is as follows:

A.  the enterprise;

B.  the institutional unit;

C.  the enterprise group;

D.  the kind-of-activity unit (KAU);

E.  the unit of homogeneous production (UHP);

F.  the local unit;

G.  the local kind-of-activity unit (local KAU);

H.  the local unit of homogeneous production (local UHP).


SECTION II

Criteria used

The statistial units in this Regulation are defined on the basis of three criteria. The relative importance of these criteria depends on the type of unit concerned.


A.      Legal, accounting or organizational criteria

1.  In order to define units that are recognizable and identifiable in the economy, legal or institutional criteria must be applied. In some cases, legally separate units must be grouped together as they are not sufficiently autonomous in their organization. In order to define some types of unit, accounting or financial criteria also have to be applied.

2.  To constitute the enterprise unit, use is made of legal units that exercise, wholly or partially, a productive activity.

3.  Legal units include:

    -   legal persons whose existence is recognized by law independently of the individuals or institutions which may own them or are members of them,

    -   natural persons who are engaged in an economic activity in their own right.

4. The legal unit always forms, either by itself or sometimes in combination with other legal units, the legal basis for the statistical unit known as the 'enterprise'.

B. Geographical critera

1. A unit can be geographically identified. A distinction is made between local, regional, national, Community and worldwide areas.

2. The local level here means the territory corresponding to the 'smallest administrative area': the 'commune/gemeente' in Belgium; the 'kommune' in Denmark; the 'Gemeinde' in Germany; the 'demos' or 'koinotis' in Greece; the 'municipio' in Spain; the 'commune' in France; the 'DED/ward' in Ireland; the 'comune' in Italy; the 'commune' in Luxembourg; the 'gemeente' in the Netherlands; the 'concelho' in Portugal and the 'ward' in the United Kingdom.

3. The regional levels are defined by the nomenclature of territorial units for statistics (NUTS), which distinguishes three levels (I, II, III).

4. The observation and analytical units are defined in such a way as to permit data first to be determined for each Member State and these data to be combined to give figures for the Community as a whole or for larger areas.

5. The rules regarding geographical criteria must be in order to permit consolidation and avoid double counting and omissions.

C. Activity critera

1. The economic activity of production - hereinafter referred to as 'activity' - can be said to take place when resources such as equipment, labour, manufacturing techniques, information networks or products are combined, leading to the creation of specific goods or services. An activity is characterized by an input of products (goods or services), a production process and an output of products.

2. Activities are determined by reference to a specific level of NACE Rev. 1.

3. If a unit carries out more than one activity, all the activities which are not ancillary activities are ranked according to the gross value added at factor cost which they generate. A distinction is made between principal activity and secondary activities.

4. If no value-added figures are available, other criteria must be used, such as, for example, employment, payroll, turnover and assets, with a view to obtaining the closest possible approximation of the classification which would have been obtained on the basis of value added.

5. Units are classified in terms of their activities. If one activity accounts for over 50 % of the value added this determines the classification of the unit. In all other cases, classification rules must be observed. Classification is carried out in stages from the highest level of aggregation which is the section (one letter), down to the class (four digits) via the division (two digits) and the group (three digits). The classification at each level must be compatible with the previous level. The Statistical Programme Committee referred to in Article 7 of Regulation (EEC) No 3037/90 has competence in this field.

6. Principal and secondary activities are backed up by ancillary activities, such as, for example, administration, accounts, data processing, process monitoring, purchasing, sales and marketing, warehousing, repairs, transport and renovation.

These ancillary activities within a unit are carried out in order to permit or facilitate production by the unit of goods and services for third parties. The products of ancillary activities are not themselves supplied to third parties.

7. The notion of ancillary activities is developed in section IV B.


SECTION III

Definitions of units and explanatory notes specific to each unit

A. Enterprise

The enterprise is the smallest combination of legal units that is an organizational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations. An enterprise may be a sole legal unit.

Explanatory note

The enterprise thus defined is an economic entity which can therefore, under certain circumstances, correspond to a grouping of several legal units. Some legal units, in fact, perform activities exclusively for other legal units and their existence can only be explained by administrative factors (e.g. tax reasons), without them being of any economic significance. A large proportion of the legal units with no persons employed also belongs to this category. In many cases, the activities of these legal units should be seen as ancillary activities of the parent legal unit they serve, to which they belong and to which they must be attached to form an enterprise used for economic analysis.

B. Institutional unit

The institutional unit is an elementary economic decision-making centre characterized by uniformity of behaviour and decision-making autonomy in the exercise of its principal function. A unit is regarded as constituting an institutional unit if it has decision-making autonomy in respect of its principal function and keeps a complete set of accounts.

- In order to be said to have autonomy of decision in respect of its principal function, a unit must be responsible and accountable for the decisions and actions it takes.
- In order to be said to keep a complete set of accounts, a unit must keep accounting records covering all its economic and financial transactions carried out during the accounting period, as well as a balance sheet of assets and liabilities.

Explanatory notes

1. In the corporate enterprises sector, the enterprise corresponds to the institutional unit used in the ESA. Similar institutional units also exist in the general government and private non-profit institutions sectors. The institutional unit in the households sector covers all the activities of households, while the term 'enterprise' is reserved exclusively for their production activities.

2. Applying these rules leads to the following solutions for entities which do not clearly possess both characteristics of an institutional unit.

   (a) Households always enjoy autonomy of decision and must therefore be institutional units, even though they do not keep a complete set of accounts.
   (b) Entities which do not keep a complete set of accounts are combined with the institutional units in whose accounts their partial accounts are integrated.
   (c) Entities which, while keeping a complete set of accounts, have no autonomy of decision in the exercise of their principal function are combined with the units which control them.
   (d) Entities which satisfy the definition of an institutional unit are treated as such even if they do not publish their accounts.
   (e) Entities forming part of a group of enterprises and keeping a complete set of accounts are deemed to be institutional units even if they have surrendered, in fact if not in law, part of their autonomy of decision to the central body (the holding company) responsible for the group's general management. The holding company itself is deemed to be an institutional unit distinct from the units which it controls.

3. The following are deemed to be institutional units:
   - units which have a complete set of accounts and autonomy of decision:
     (a) private and public companies, public corporations;
     (b) cooperatives or partnerships recognized as independent legal entities;
     (c) public enterprises which by virtue of special legislation are recognized as independent legal entities;
     (d) non-profit institutions recognized as independent legal entities;
     (e) agencies of general government.
   - units which have a complete set of accounts and which, by convention, are deemed to have autonomy of decision:
     (f) quasi-corporate enterprises: sole proprietorships, partnerships and public enterprises, other than those referred to in points (a), (b) and (c) in so far as their economic and financial behaviour can be separated from that of their owners and resembles that of corporate enterprises;
   - units which do not necessarily keep a complete set of accounts, but which by convention are deemed to have autonomy of decision:
     (g) households.

## C. Enterprise group

An enterprise group is an association of enterprises bound together by legal and/or financial links. A group of enterprises can have more than one decision-making centre, especially for policy on production, sales and profits. It may centralize certain aspects of financial management and taxation. It constitutes an economic entity which is empowered to make choices, particularly concerning the units which it comprises.

Explanatory notes

1. For certain observations and analyses it is sometimes useful and necessary to study the links between certain enterprises and to group together those which have strong ties with each other. A number of exercices are underway but not finished concerning the concept of the group of enterprises. It is defined here starting from the concept of accounting group as given in the Seventh Council Directive 83/349/EEC (OJ No L 193, 18. 7. 1983, p. 1). This Directive came into force for the first time for consolidated accounts of the financial year which began in 1990. Directive 90/605/EEC (OJ No L 317, 16. 11. 1990, p. 60) extended the scope of application of the Seventh Directive.

2. Within the meaning of the Seventh Directive, a group is presumed to exist where 20 % of the capital or voting rights are held or controlled by another enterprise. Provisions regarding the control of the power to appoint directors must be taken into account. Behind financial (majority) control, the aim is to take into account where the control really is.

3. This definition as it stands is not suitable for statistical analysis because 'accounting groups' do not constitute mutually exclusive, additive groups of enterprises. A statistical unit known as 'enterprise group' based on the 'accounting group' concept must be defined by applying the following amendments:

    - consider accounting groups at the highest consolidation level (group head),

    - include in enterprise group units whose accounts are entirely integrated in those of the consolidating company,

    - add majority-controlled units whose accounts are not included in the overall consolidating by virtue of application of one of the criteria allowed by the seventh Directive, i. e. difference in the type of activity or small realive size,

    - discount temporary links of less than a year.

4. An enterprise group is a set of enterprises controlled by the group head. The group head is a parent legal unit which is not controlled either directly or indirectly by any other legal unit. The subsidiary enterprises of a subsidiary enterprise are considered to be subsidiaries of the parent enterprise. However there are some forms of cooperative or mutual associations where the parent enterprise is actually owned by the units of the group.

5. Enterprise groups are often bound together by various types of links such as ownership, controlling interest and management. These units are often linked with units of the same family from several different generations. The enterprise group unit often corresponds to a conglomerate bound together by a network of complex relationships and frequently covers a very wide range of activities. Subgroups can be identified within enterprise groups.

6. It is useful to recognize all (majority and minority) links between the group head and the controlled enterprise via the network of subsidiaries and sub-subsidiaries. This allows the group's entire organization to be depicted.

7. In view of the implications of the different accounting directives, an attempt should always be made to distinguish between basic units of the group that belong to non-financial enterprises and those which must be classified as financial institutions. In the case of the latter, a distinction must be drawn between units that are credit institutions and those that are insurance enterprises. Some enterprise groups span the whole world, but need to be analysed for the economic territory of the Community and for that of each Member State.

8. The enterprise group unit is particularly useful for financial analyses and for studying company strategies, but it is too varied in nature and unstable to be adopted as the central unit for observation and analysis, which remains the enterprise. It is used for compiling and presenting certain information.

D. Kind-of-activity unit (KAU)

The kind of activity unit (KAU) groups all the parts of an enterprise contributing to the performance of an activity at class level (four digits) of NACE Rev. 1 and corresponds to one or more operational subdivisions of the enterprise. The enterprise's information system must be capable of indicating or calculating for each KAU at least the value of production, intermediate consumption, manpower costs, the operating surplus and employment and gross fixed capital formation.

Explanatory notes

1.  The KAU was devised as an observation unit in order to improve the homogeneity of the results of statistical surveys by activity and hence the international comparability of these results, since at the level of the enterprise different types of horizontal and vertical integration can be observed at both national and international level. An entity which only carries out ancillary activities for the enterprise to which it belongs cannot be considered as a separate KAU. In fact the KAU corresponds to the operational definition given in paragraph 96 of the introduction to ISIC Rev. 3.

2.  The KAUs falling within a particular heading in the NACE Rev. 1 classification system can produce products outside the homogeneous group, on account of secondary activities connected with them which cannot be separately identified from available accounting documents. Conversely, the KAUs classified under a particular heading in the classification system on the basis of a principal activity do not produce the entire output of homogeneous groups of specific products because the same products can be produced in secondary activities of KAUs falling under some other classification heading.

3.  The internal accounts of enterprises (e. g. profit or cost centres) have often been developed according to criteria that are close: the activity concept. They enable the supply of data at KAU level, so that these can be observed.

4.  All the costs of ancillary activities of an enterprise must be allocated to the principal and secondary acitivites and thus to the KAUs observed within the enterprise.


E. Unit of homogeneous production (UPH)

The unit of homogeneous production (UHP) is characterized by a single activity which is identified by its homogeneous inputs, production process and outputs. The products which constitute the inputs and outputs are themselves distinguished by their physical characteristics and the extent to which they have been processed as well by the production technique used, by reference to a product classification. The unit of homogeneous production may correspond to an institutional unit or a part thereof; on the other hand, it can never belong to two different institutional units.

Explanatory notes

1.  For a clear analysis of the production process, the ESA has adopted units of homogeneous production that enable the technical/economic relationships to be studied. These analytical units are used particularly for Input-Output tables, and in practice are reconstituted from data collected for the observation units, since they cannot as a rule be directly observed.

2.  Most observation units are engaged in a combination of activities at the same time. They may be engaged in a principal activity, some secondary activities - i. e. activities belonging to other branches - and some ancillary activities such as administration, purchasing, selling to the trade, storage, repairs, etc. If an observation unit carries out a principal activity as well as one

or more secondary activities, it will be subdivided into the corresponding number of units of homogeneous production, and the secondary activities will be reclassified under different headings from the principal activity. On the other hand, the ancillary activities of the observation unit are not separated from the principal or secondary activities they serve.

3. The unit of homogeneous production is defined independently of the location of the activity. In ISIC Rev. 3, the unit of homogeneous production is defined in such a way as to correspond to the local UHP. Paragraph 112 of the introduction to ISIC Rev. 3 is governed by paragraph 104.

## F. Local unit

The local unit is an enterprise or part thereof (e. g. a workshop, factory, warehouse, office, mine or depot) situated in a geographically identified place. At or from this place economic activity is carried out for which - save for certain exceptions - one or more persons work (even if only part-time) for one and the same enterprise.

Explanatory notes

1. If a person works in more than one place (maintenance or surveillance) or at home, the local unit is taken to be place from which instructions emanate or from where the work is organized. It must be possible to specify the employment attached to any local unit. However, all legal units that serve as the legal basis for an enterprise or a part thereof must have a local unit which is the registered office, even if nobody works there. Moreover, a local unit can comprise only ancillary activities.

2. A geographically identified place must be interpreted on a strict basis: two units belonging to the same enterprise at different locations (even within the smallest administrative unit of the Member State) must be regarded as two local units. However, a single local unit may be spread over several adjacent administrative areas, in which case, by convention, the postal address is the determining factor.

3. The boundaries or the unit are determined by the boundaries of the site, which means for example that a public highway running through does not interrupt the continuity of the boundaries. The definition is similar to the one in paragraph 101 of the introduction to ISIC Rev. 3 in that it concerns localization in the strict sence of the term, but differs from the definition in paragraph 102 in that this strict sense may not vary according to the statistics under consideration. In addition, the criterion of persons working in the unit is normally applied.

4. The ESA-REG (the regional application of the ESA) uses the same definition of local unit for regional accounts purposes.

## G. Local kind-of-activity unit (local KAU)

The local kind-of-activity unit (local KAU) is the part of a KAU which corresponds to a local unit.

Explanatory notes

1. Each KAU must have at least one local KAU; however, the KAU can be made up of a grouping of parts of one or more local units. On the other hand, a local unit may in certain

circumstances comprise solely a group of ancillary activities. In this instance, a supplementary classification of the local unit is possible. Furthermore, each enterprise should have at least one local KAU.

2. The local KAU corresponds to the operational definition of the establishment as given in paragraph 106 of the introduction to ISIC Rev. 3.


H.      Local unit of homogeneous production (local UHP)

The local unit of homogeneous production (local UHP) is the part of a unit of homogeneous production which corresponds to a local unit.


## SECTION IV

### Additional explanatory notes

A.      Government and non-profit bodies

1. In the case of general government bodies, the appropriate statistical unit for the collection and compilation of statistics is very variable (e. g. central government, social security administration, or local government of the region, province, department, county, municipality, metropolitan area, etc.). These various bodies collectively plan, supervise and administer the finances of their constituent bodies (which can be ministries, directorates-general, directorates, bureaus, agencies, offices, etc.). As regards the type of activity, however, some of these bodies, particularly local authorities, are likely to be much more heterogeneous than corporate enterprises.

2. The activities of these bodies often belong to Section L of NACE Rev. 1 'Public administration and defence: compulsory social security', although other bodies carry out activities which basically belong to other Sections, including 'Education' (Section M), 'Health and social work' (Section N) and 'Other community, social and personal service activities' (Section O).

3. When series of data on private-sector entities have to be combined with data on these general government and private non-profit institutions classified by type of economic activity, their identification and classification must be carried out using statistical units corresponding to entities which are closest to the statistical units defined in the private sector. This is why all the criteria used in the private sector are - by analogy - applied to general government bodies. The same applies to private non-profit institutions.


B.      Ancillary activities

1. An activity must be regarded as ancillary if it satisfies all the following conditions:

(a) it serves only the unit referred to: in other words, goods or services produced must not be sold on the market;

(b) a comparable activity on a similar scale is performed in similar production units;

(c) it produces services or, in exceptional cases, non-durable goods which do not form part of the unit's end product (e. g. small implements or scaffolding);

(d) it contributes to the current costs of the unit itself, i. e. does not generate gross fixed capital formation.

2. The distinction between ancillary, principal and secondary activity can be illustrated by a few examples, as follows:

   - production of small implements for the unit's use is an ancillary activity (in accordance with all criteria),

   - own-account transport is normally an ancillary activity (in accordance with all criteria),

   - sales of own products are an ancillary activity because, as a general rule, it is not possible to produce without sales. However, if it is possible to identify a retail sales point within a productionenterprise (direct sales to end-user) which may be, for example, a local unit, this sales point - exceptionally and for the purposes of certain analyses - may be regarded as a kind-of-activity unit. This observation unit then forms the subject of a twofold classification, i. e. in terms of the (principal or secondary) activity it performs within the enterprise and in terms of its own activity (retail sale).

3. Thus, the general rule is that, since production processes are not usually viable without the support of ancillary activities, these ancillary activities should not be isolated to form distinct entities, even if they are carried out by a distinct legal entity or at a distinct place, and even if separate accounts are kept. Furthermore, the ancillary activity is not taken into account when classifying the activity of the entity by which the ancillary activities are carried out. The best example of an entity carrying out ancillary activities is the central administrative department of registered office.

4. Having regard to the definition in point 1, the following activities must not be considered as ancillary activities:

   (a) the production of goods or work carried out which forms part of fixed capital formation - in particular, construction work for own account. This is in line with the method used in NACE Rev. 1, where units carrying out construction work for own account are classified under the building industry if data are available;

   (b) production, a significant part of which is sold commercially, even if much is used as consumption in connection with the principal or secondary activities;

   (c) the production of goods which subsequently become an integral part of the output of the principal or secondary activity - e. g. production of boxes, containers, etc. by a department of an enterprise for use in packing its products;

   (d) the production of energy (integrated power station or integrated coking plant), even where this is consumed in its entirety in the principal or secondary activity of the parent unit;

   (e) the purchase of goods for resale in unaltered state;

   (f) research and development. These activities are not very widespread and do not produce services which are used in current production.

In all these cases, if separate data are available for these activities, they should be regarded as

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distinct activities and subsequently recognized as KAUs.

5.  If ancillary activities are carried out for the benefit of a single entity, these activities and the resources they use will constitute an integral part of the activities and resources of that unit. However, if the activities of the statistical unit and the corresponding ancillary activities are not carried out in the same geographical area (defined in terms of the zones delimited for the purposes of statistical surveys), it may be desirable to collect separate supplementary information on these units for the categories of data which have to be classified in terms of geographical areas, even if the units only carry out ancillary activities.

6.  If ancillary activities are carried out basically for the benefit of two or more kind-of-activity units, the cost of these ancillary activities must be spread over all the kind-of-activity units which they support. If data are available on the proportion of the costs which can be assigned to each of these distinct activities, the costs should be broken down accordingly. However, should no information of this kind be available, the cost of the ancillary activity should be broken down over the principal and secondary activities proportionately to the value of output minus intermediate costs excluding the costs of the ancillary activities themselves. If this method proves too difficult in practice, the cost of the ancillary activity may simply be broken down proportionately to the value of output.

7.  If ancillary activities are organized in such a way as to serve two or more entities of a multi-unit enterprise, they may constitute a group of ancillary activities at a distinct location. In this case, in the same way as it would be desirable to cover certain activities completely even if they are carried out independently or by entities which are engaged exclusively in ancillary activities (such as computer services), it could be useful to allow for supplementary classifications. For this purpose these ancillary entities could then be classified according to their own activities as well as being classified under the activity of the unit to which they belong.

8.  It is possible that an activity starts out as ancillary but subsequently begins to provide services for sale to other entities. An activity of this kind may develop to the point where it ceases to be an ancillary activity and must therefore be regarded as one of the principal or secondary activities of an entity. The only way of deciding whether a given activity should be regarded as an ancillary activity or a principal or secondary activity is to assess the role it plays in the enterprise as a whole.

## C. Synoptic table by activity and location

| | One or more locations | A single location |
|---|---|---|
| One or more activities | Enterprise<br>Institutional unit | Local unit |
| One single activity | KAU<br><br>UHP | Local KAU<br><br>Local UHP |

# Annex 3

*Please note: This report below is an unaltered copy of the report to Eurostat. As a consequence the annex (1 &2) references below does not refer to the annexes of this present documentation.*

## Demo system for Business register management on PC for EUROSTAT

Report on the work on phase 3 of
the "simulation courseware for register management".

By Håkon Berby

## 1 INTRODUCTION

The following report is a simple, point by point, list on the development of the system since the completion of the "basic version" in 1996. The basic version is defined as the converted character based version of the Norwegian "Central Register of Establishment and Enterprises" (CRE) system with the addition of new functionality to handle a *one to many* relationship between the unit types of the *enterprise* and the *legal unit*.

The basic version is documented in the report on the completion of phase 2 of the project.

The work in 1997 has been on further development of the *GUI version* of the system and the data base. The purpose of this development has been:

1. To make the system able to handle the cases of the "Eurostat manual of cases". The work on this incudes:
   - New data definitions (both new variables and relationships) in the data base.
   - New functions of the application system to handle the new variables and relationships of the data base.
   - New functions for handling situations of new units in the administrative sources.

2. To convert and translate the online documentation/help text data base (e.g. of the basic version) into a "Windows help function". The work on this part has included:
   - The preparation of a Windows help function.
   - The complete text of the help function was first prepared as an ordinary text document for evaluation of the quality and readability before the text was inserted into the Windows help function together with hyper links for navigation between the topics of the help function.

3. Testing and adjusting the software for treatment of the cases. The work has primarily covered:
   - A revision of the menu structure of the GUI version for better organisation of the user functions of the system including new menu items for better handling of the "dynamic cases".

4. Evaluation of phase 3, incl. acceptance test.
   - The system was presented to Eurostat (Defays, Goetzfried and Struijs) at a status meeting september 29 together with the draft of this report, and the documents included here as annexes 1 & 2. The document in annex 2 has after this been revised reflecting comments by John Perry (Office for National Statistcs, UK).

The detailed list on the work is presented in paragraph 2 below.

A paper on how the system covers the cases were used for the discussion at a status meeting in Eurostat 5 May 1997. A revised version of this paper is included as annex 1 to this report.

## 2 THE WORK ON PHASE 3

The following is a simple list of tasks completed so far and until the end of April 1997.

- Some functions (mainly the central data access functions) are made common to both version (e.g. the "basic version" and the GUI version). These functions are never seen by the users; they are executed by programs/functions of the two versions by means of a "common interface".
- Use of the multilingual message file function for user messages in all programs used by the new GUI interface.
- Secondary window functions established for all unit types (legal unit, enterprise, local unit, employer and VAT unit).
- Pull down menus established for some retrieval functions and handling/presentation of secondary windows.
- Established new GUI dialogue function for de-linking a local unit from its old enterprise with data entry of the *new* enterprise.
- Included is new GUI based function for eventual user decided deletion of the old enterprise if it is a single unit enterprise.
- New GUI dialogues for user decided propagation of some types of changed information of the following unit types:
- local unit
- enterprise.
- Handling of members of units in an enterprise group established in GUI version.
- Establishment of group membership.
- New retrieval function for finding other members (head of group or all members) of the group when showing a group member in the main window.
- Functions established for more user-friendly data retrieval functions (than those of the character based "basic version". Examples:
- Disabling retrieval "buttons" and pull down menu items for the retrieval of "linked" units where no linked unit of the actual type exists (both for primary and secondary windows).
  Originally, as in the "basic version", the user had no (or as in some very few cases limited) information in the screen maps of the existence of linked units. Consequently the system issued return messages to the user after trying to execute a data retrieval command for linked units of another register.
- Pull down menu items for accessing the enterprises across the link between an old deleted enterprise and the new one (time link (1) of case no. 20).
- New variable and index definitions in the data base to cover all types of links between unit types mentioned in the "case manual".
- Function for the recursive relationship of the legal unit established (no data retrieval function for the user established yet).
- New functions established for handling the relationship (e.g. history) between the unit types legal unit and enterprise.
- New function established (like those of the local unit and enterprise) to handle the situation of
  i)   a change or
  ii)  a correction of the data of the legal unit.
- Revision of "subject matter documentation" of the report on phase 2;
  i) corrections of errors in the text and
  ii) re-editing the sequence of chapters.

- New data base definitions and program functions established to search for all *"non-linked"* unit, and eventually select for processing, of either the:
  - i) Employer register
  - ii) VAT register.
  - iii) Legal unit register.
- New function established to enter a new *local unit* when a new and *"non-linked" employer* unit is detected in the Employer register.
- New function established to enter a new *enterprise* unit when a new and *"non-linked" VAT* unit is detected in the VAT register.
- New function established to link a new and *"non-linked" employer* unit in the employer register to an existing *local* unit (by searching for and selecting an existing enterprise unit).
- New function established to link a new and *"non-linked" VAT* unit in the VAT register to an existing *enterprise* unit (either by searching for and selecting an existing (i) legal unit or (ii) enterprise unit).
- New function established to relink a local unit to an enterprise (for instance to cover case 20, the take-over case).
- New function established to relink a legal unit to an enterprise (for instance to cover case 17, the sale of a business case).
- New function established to relink a VAT unit to an enterprise.
- New function established to relink an employer unit to a local unit.
- Reorganisation of the menu structure.
- New "hyper link" Windows help function established. This work was carried out with (i) the establishment of a MS/Word textual documentation of the GUI version as a test-bench to evaluate the contents and (ii) the population of the Windows help function with the texts from the document together with the establishment of hyper links of the "Win-help" function. The document (i) is included as annex 2 to this report.

## CONTRACT FOR THE PROVISION OF STATISTICAL SERVICES

The European Community, represented by the Commission of the European Communities, hereinafter referred to as "the Commission", which for the purposes of the signature of this contract is represented by Mr. Yves Franchet, Director-General of the Statistical Office of the European Communities,

of the one part,

and

**STATISTICS NORWAY**

with its registered office at      **Kongens gt. 6**
                                  **N - 0033   OSLO**

hereinafter referred to as "the Contractor",

represented by    **M. Svein LONGVA, Director-General**

of the other part,

have agreed the following:

## Article 1 - Subject of the contract

Within the framework of the implementation of the Council Decision 92/421/EC of 13 July 1992 and taking into account the statistical programme 1993-1997 of the Statistical Office of the European Communities, the contractor will undertake the setting up of the database on business register to Windows / Unix for Eurostat as mentionned in the work programme provided in annex I.

## Article 2 - Duration

The tasks assigned to the contractor shall be completed no later than 10 months.

## Article 3 - Reports and documents

The contractor shall submit the results and reports to the Commission in conformity with the work programme and guidelines set out in annex 1.

## Article 4 - Remuneration and methods of payment

In consideration of the services provided under this contract, the Commission undertakes to pay the Contractor the flat-rate sum of **27.500 ECU (twenty seven thousand five hundred ECU)**, according to the following procedure:

- 30% after signature of the contract

- 40% after acceptance by the Commission of an report stating the progress of the work conducted .

- 30% after acceptance of the works by the Commission.

It is agreed that the said amount shall cover all the expenditure incurred by the Contrator in the performance of this contract.
All the payments, except the 30% due at the signature of the contract; shall be made, on production of invoices, within 60 days of receipt of the request for payment on account :

n° 8200 0132450
**Sparebanken NOR, Kirkegaten 18, N-0153 OSLO**

The payments shall be deemed to have been made on the date on which they are debited to the Commission's account.

## Article 5 - Aapplicable law

This contract shall be governed by **Norwegian** law.

## Article 6 - Legal competence

Any dispute between the Commission and the Contractor or any claim by one party against the other under this contract which cannot be settled by the contracting parties out of court shall be brought before the courts of Norway.

## Article 7 - Administrative provisions

Any amendment to this contract shall be the subject of a written supplementary agreement concluded on the same terms as the contract. Verbal agreements shall not be binding on the contracting parties.

All communications relating to this contract shall be made in writing and in duplicate - with the Eurostat file Number - **666200002** - and sent to the following addresses :

### For the Commission

Statistical Office of the European Communities
for the attention of **Mr. Ph. Nanopoulos, Director**
Directorate D
Office C5/038
Jean Monnet Building
Rue Alcide de Gasperi
L-2920 Luxembourg

### Address for the payment

Commission of the European Communities
Statistical Office of the European Communities
For the attention of Mr. Sobrino - Vazquez, Head of unit C2, office B3/034
Jean Monnet Building
rue Alcide de Gasperi
L-2920 Luxembourg.

### For the Contractor

STATISTICS NORWAY
**For the attention of Mr. Hakon Berby, Depatment of Coordination and Development**
Kongens gt. 6
Postboks 8131 Dep.
N-0033 OSLO

## Article 8 - Provisions relating to taxation

Pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Communities, the Commission is exempt from all taxes and dues, including value-added tax, on its financial contribution under the contract. As regards the application of Articles 3 and 4 of the said Protocol, the Contractor shall comply with the instructions of the Commission.

The Contractor shall not be subject to VAT.

## Article 9 - Annex
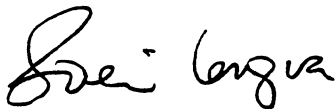
The following document is annexed to this contract and forms an integral part thereof :

Annex 1 : Working programme

Done at Luxembourg,      **1 7. XII. 1995**
in duplicate,
in English
and initialed on each page
by all the contracting parties
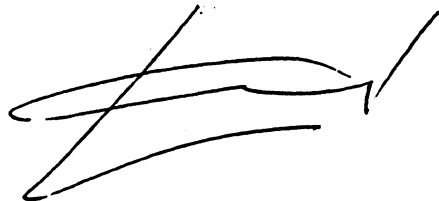

For the Contractor,

**S. LONGVA**
**Director-General**


For the Commission,

**Y. FRANCHET**
**Director-General**


**p.p. Ph. NANOPOULOS**
**Director**

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# ANNEX 1

## Working programme

The aim of the working programme is to cover the third and last phase of the development of software that makes it possible to simulate register management according to the two Regulations that have been adopted in the field of Business Registers:

- The Council Regulation (EEC) No. 696/93 on the statistical units for observation and analysis of the production system in the Community and
- The Council Regulation (EEC) No. 2186/93 on Community Coordination in drawing up Business Registers for statistical purposes.

The third phase covers the completion and further documentation of the version which resulted from the second phase, in particular enabling it to handle a set of cases provided by Eurostat.

|  | No.of weeks | End dates 1997 |
|---|---|---|
| - Implement the set of cases of the courseware by means of the new graphical user interface covering the main functions and object types of the system: | 7 | 11/4 |
| - Convert and translate on-line documentation/help text data base: Conversion to be made into the "Windows Help function". | | |
|   - Requires feedback from EUROSTAT for translation. | | |
|   - Requirements/specifications to be developed in co-operation. | | |
|   - Implement consequences of documentation/test experience in courseware. | | |
|   Total: | 7 | 04/7 |
| - Testing and adjusting software for treatment of the cases: | 3 | 12/9 |
| - Evaluation of phase 3, incl. acceptance test: | 1.3 | 26/9 |
| - Phase 3, total: | 18.3 | 26/9 |

Report stating progress of the work : 5 months after the signature of the contract

The final works should be submitted end of September 1997.
The final product (the software compatible across Windows and UNIX described below) will be the property of the Commission and it will be used for didactic pupposes.

# Recent publications in the series Documents

**Documents**

**B**

**Statistisk sentralbyrå**
Statistics Norway