

Statistical product - **Statistical Business Register** (Statistical Business Register, economically active organizations) (annual)

Processes	Sub-processes	Sub-process description
1. <i>Specify need</i>		
	1.1 Identify needs	<p>Statistical data included in the database of Statistical business register, are the necessary indicators from the users' perspective related to statistical data on the number of employees of legal entities and individual entrepreneurs and their earnings by RA administrative –terretorial divisions, basic and non-basic types of activity, types of organizational-legal form of organizations, founders and also other criteria.</p> <p>Necessity of maintaining business register is stipulated by the continuously growing demand to the information covered by the business register (statistical indicators) of structural units of the Armstat, as well as of users.</p> <p>Maintaining statistical business register based on the Armstat internal purposes, is used for the purpose of complying with each other data available in branch databases of structural units, presenting Armstat statistics, that is related to legal entities and individual entrepreneurs, for their modernization, as well as serves as a basis for statistical sampling design. Indicator groups of statistical business register, as needed, are provided to statistical data users, RA state and local self -governing bodies, scientific, educational institutions, international organizations and others, that have its demand, preserving their legislative requirements to the confidentiality .</p>
	1.2 Consult and confirm needs	<p>The Draft of Annual Statistital Program is submitted to 147 main statistical information users (government agencies, educational institutions, judicial bodies, banking and business circles, NGOs, international organizations and mass</p>

		<p>media) selected by the sampling methods in order to study the requirement of users about the statistical information .</p> <p>The “User satisfaction survey questionnaire” is available on the website of the Statistical Committee of RA (by the following links: https://www.armstat.am/am/?nid=131 in order to get the comments and recommendations of other users.</p>
	<p>1.3 Establish output objectives</p>	<p>The statistical program is the basis for the implementation of Official statistics in RA. The five years program is developed for the determination of the directions of the official statistical activity and the annual program is developed to determine the measures to ensure the realization of these directions.</p> <p>The program sets by Statistcal Committee of the RA and by other state institutions, Armstat overall coordinates the list of indicators of the statistical observations (and their collection, processing, summarizing, publishing activities), as well as it improves the calculation works. Directions and measures provided by the Five-Year and Annual Programs will take into account the comparability of the country's indicators to international statistical standards, to ensure their sustainability in terms of identifying the trends in the long-term range and the proportion of resources allocated to the statistics annually.</p> <p>The program is elaborated based on the requirement of users to statistical information and, as a result, the suggestions and comments are summarized.</p> <p>The Statistical Service of Denmark has provided relevant consulting services to Armstat in 2011 within the framework of EU Twinning project “Forwarding Armenian Statistics Through Twinning” aimed to improve the maintenance of the business register. Armstat regularly determines its strategy on maintained buisness register that includes the possible developments in business register for five years.</p>
	<p>1.4 Identify concepts</p>	<p>In terms of user, there are the following concepts for developing the business register.</p>

		<ol style="list-style-type: none"> 1. Improving the overall quality of the business register database, 2. Covering all legal entities and individual entrepreneurs in business register, 3. reducing respondent statistical burden 4. designing the common administrative register in RA <p>The main users are the structural units of the Armstat. Therefore, all the suggestions, goals and requirements that are presented by the mentioned units are taken into, if it is possible.</p>
	<p>1.5 Check data availability</p>	<p>Business Register database includes the individual (personal) data obtained from the legal entities and individual entrepreneurs by the statistical reporting forms.</p> <p>For the adjustment of business register indicators on organizations and individual entrepreneurs, the source of data for updating the changes are also the administrative registers such as Agency of the Public Register of Legal Entities of RA Ministry of Justice (According to the jointly established orders by the Minister of Justice No 85-A and President of NSS N68-A 13.06.2011) and the Ministry of Finance (According to the jointly established orders by the Minister of Finance No 575-A and President of Armstat No 124-A in 02.09.2014).</p> <p>In the micro level, the statistical data is not available for the statistical information users taking into account legal restrictions to their confidentiality.</p>
	<p>1.6 Prepare business case</p>	<p>The indicators of business register on legal entities and individual entrepreneurs are collected separately through the questionnaire approved by the RA State Council on Statistics. Before the adoption of the Statistical Reporting Form by the Council and its state registration by the Ministry of Justice as normative legal act, the working discussions related to the included indicators and the instruction of filling in it are carried out with the different interested bodies, scientific organizations, users, as well as the opinion of international experts is taken into account.</p>

2. Design		
	2.1 Design output	<p>The data are collected based on the Law on "Official Statistics" and "Five Year Statistical Program", as well as the Resolution No. 05-N of RA State Council on Statistics "On Approval of the Procedure for the collection of statistical data" dated 20 June 2016 and Resolution "On Approval of Annual Statistical Program", as well as as well as Resolution No. 24-N, dated October 19, 2018 of RA State Council on Statistics on approval of statistical questionnaires 1-BR (annual) and instructions for filling in it.</p> <p>Receiving of relevant information from the Administrative Registers is regulated by the relevant provisions of Resolutions No. 85-N of the RA Minister of Justice dated 13 June 2011 and N 68-N of the Armstat, as well as N124 of the Minister of Finance of the Republic of Armenia dated 4 September 2014, and N575-A of the President of Armstat dated 2 September 2000.</p>
	2.2 Design variable description	<p>The statistical information system, annually collected through the statistical questionnaires on the Business Register, includes: A / legal entities:</p> <ul style="list-style-type: none"> a) legal entity code, b) taxpayer identification number c) registration number in State Register d) full name of legal entity, e) legal-organizational type, f) the place of business (postal address), phone number, as well as, (if necessary) fax and e-mail address, g) the types of activities in the reporting year, h) output, works, services and turnover and trading volume / profits, without VAT and excise taxes i) The average annual number of employees. <p>B / individual entrepreneurs:</p> <ul style="list-style-type: none"> a) Name, Surname b) taxpayer identification number (TIN),

		<p>c) registration number in the State Register</p> <p>d) residence,</p> <p>e) State Registration Address (if different from home address), phone number, as well as, (if necessary) fax and e-mail address,</p> <p>f) the types of activities in the reporting year,</p> <p>g) output, works implemented, services rendered and trade turnover/ revenue, without VAT and excise taxes</p> <p>h) The average annual number of employees.</p> <p>The Classification of Types of Economic Activity is used for the collection of indicators (Order of the Minister of Economy of RA N-1579 RA, OB 04.11.2013 30/(474)1, dated 10 December 2019) (NACE Rev.2) (see: https://www.armstat.am/am/?nid=370) is used for the collection of indicators.</p>
	<p>2.3 Design collection</p>	<p>Statistical data collection is carried out annually through the statistical questionnaire, approved by the RA State Council on Statistics by widespread observation method.</p>
	<p>2.4 Design frame and sample</p>	<p>The design of the general population is implemented to provide comprehensive information on legal entities and individual entrepreneurs. For this purpose, the relevant information received from structural units of the Armstat on the on legal entities and individual entrepreneurs , as well as received from the administrative registries of the economic entities is compared.</p> <p>For newly registered organizations, the notification activities about being covered by the statistical observation field are carried out, and the relevant statistical information is collected. On the basis of information provided online by the state registration body of legal entities of the Ministry of Justice of the Republic of Armenia, the Armstat Regional and Yerevan City Departments are provided with information on newly registered legal entities and individual entrepreneurs quarterly.</p>

	2.5 Design processing and analysis	After the collection of data the statistical indicators are subject to arithmetical and logical checks, based on them, and in case of necessity the appropriate adjustments are carried out also by contacting the relevant organizations that provide the data. In case of submission of not reliable, incomplete or corrupted data on indicators, in case of need the process of verification is also implemented according to the requirements of the Article 169.2 of RA Code on “Administrative Offences”, as a result the prior period data are subject to be adjusted.
	2.6 Design production systems and workflow	The preparatory work is carried out for all processes from the collection of information and until its publication, particularly, related to the appropriate notification of respondents, the training of the staff through professional courses and etc.
3. Build		
	3.1 Build collection instrument	The statistical reporting form needed for the collection of data and the instruction for filling it in, are available in paper and electronic version. There is a relevant electronic environment to provide statistical information received electronically from administrative sources.
	3.2 Build or enhance process components	The methodological guidelines and instructions necessary for information verification are available. Input software has necessary tools for arithmetical and logical checks of input data .
	3.3 Build or enhance dissemination components	The main users of statistical data are regional and structural units of Armstat. Business Register database is used to design the organize Armstat structural units sampling, as well as for the verification of databases. Where necessary, while maintaining restrictions on information that is not statistically confidential, in response to relevant official letters, statistical information users are provided with summary information on legal entities and

		individual entrepreneurs.
	3.4 Configure workflows	The derivation of statistical product is carried out by the following successive stages: <ol style="list-style-type: none"> 1. collection of data, 2. arithmetic and logical checks and adjustments, 3. data input through the pre designed input software 4. comparison of received information to the relevant time series 5. application of data for internal purposes 6. provision of summary statistical information to users
	3.5 Test production system	Due to indicators changes in the statistical questionnaire the input software is regularly undergoing to relevant changes. The testing of software is also carried out in case of need.
	3.6 Test statistical business process	In parallel with the inclusion of the new indicator in the statistical questionnaire, the field examination of the latter and of indicator to test the understanding of information providers (respondents). The relevant changes in filling instructions and methodological guidelines are carried out.
	3.7 Finalize production system	The composition of methodological clarifications on the completion of indicators available in questionnaire, as well as the provision to the statistical data providers (respondents) is carried out, at the same time, maintaining verbal and e-mail contacts with the experts. The opinions and suggestions and approaches of statistical information providers and users are analyzed and finalized.
<i>4. Collection</i>		
	4.1 Create frame and select sample	The statistical information's general population is formed in the result of widespread observation of data collection that includes the collected data on all legal entities and individual entrepreneurs covered by the statistical observation field of Armstat.
	4.2 Set up collection	In order to organize the collection of statistical data, the formation of order on printing of relevant questionnaire and of the instruction of filling in it, their printing and distribution to the relevant organizations is implemented

		<p>according to the number of units subject to observation. At the same time all the statistical questionnaires and the instruction of filling them in are accessible on the Armstat official website. The required network resources for the questionnaires collection are in place.</p> <p>The responsible staff of structural and territorial units has relevant knowledge and skills for the organization of the statistical data collection process.</p>
	4.3 Run collection	<p>Statistical data collection is carried out by the Armstat territorial units, marz agencies, as well as by the relevant unit of Armstat, by hand, mail and electronic - system means according to the Resolution of RA State Council on Statistics No 05-N on the “Approval of the Procedure of the collection of Statistical Data” dated 20 June 2016..</p>
	4.4 Finalize collection	<p>The collected data, after being arithmetically and logically cross-checked, is input in the electronic environment. The information input is carried out automated, as well as by direct input of information in electronic environment.</p>
<i>5. Process</i>		
	5.1 Integrate data	<p>Statistical data on legal entities and individual entrepreneurs are unified in one common database, in a result of which the duplications would be excluded.</p>
	5.2 Classify and code	<p>The coding work by main types of organization activity by order of profit decrease is implemented in accordance with the Classification of Economic Activities (NACE, rev 2), as well as marz and territorial units encoding in accordance with a predetermined order.</p>
	5.3 Review and approval	<p>The cross checking of incomplete and corrupted provided information is carried out, as well as incorrect encoded data are put in line with requirements of pre-approved classifications. Using the relevant information provided by the Agency of state register of Legal Entities of the RA Ministry of Justice and by the RA Ministry of Finance that are the source of administrative information for the Armstat, the verification of the relevant codes of entities on registration in state register, identification and tax</p>

		registration is carried out. At the same time, comparisons of information on the number of earnings and the number of employees are carried out with the relevant information provided by the structural units of the Armstat and the RA Ministry of Finance.
	5.4 Edit and impute	The missing information is completed on the basis of information received from the subject matter units of the Armstat and/or from related administrative sources.
	5.5 Derive new variables and units	Additional calculations and estimations for the calculation of other indicators are not available.
	5.6 Calculate weights	As the information collected on the legal entities and individual entrepreneurs ensures the statistical completeness of statistical observation field, thus there is no need to calculate additional weights
	5.7 Calculate aggregates	Basing on the input data, in the case of necessities, it is carried out summary data characteristics calculation by the organizational-legal forms of legal entities, types of activities, regional origin, earnings and / or the number of employees, founders, etc.
	5.8 Finalize data files	Sometimes, based on users additional demands (including international organization), based on information of business register on legal entities and individual entrepreneurs, the complex groupings are derived, at the same time using a various combinations of indicators in business register.
<i>6. Analysis</i>		
	6.1 Prepare draft outputs	The creation of indicator groups, indexes, as well as time series is implemented based on obtained summary information on business register indicators.
	6.2 Validate outputs	The methodological requirements to the received indicators are strictly followed during the whole process of indicators receiving according to the pre-defined classifications, methodological guidelines and the instruction on completing the reporting forms.
	6.3 Explanation and	The logical analysis of the received summary indicators is

	interpretation of outputs	carried out using the relevant indicators dynamics of the previous years.
	6.4 Apply disclosure control	The confidentiality of statistical indicators (not containing individual (personal) data) that is subject to publication, as well as requested by the users of statistical information is strictly followed according to the Law on Official Statistics and the Resolution of the SCS No 53 " Approval of the Order on Protection of Statistical Confidentiality" dated 25 June 2001, and only summarized data are provided (see: https://www.armstat.am/file/doc/99454478.pdf).
	6.5 Finalize outputs	Until the application of the information by purposes, the comparisons of information received from different sources on the same economic entities is implemented, as a result of which the reliability of the information is defined.
<i>7. Dissemination</i>		
	7.1 Update outputs	The informational basis of business register is updated as of 1 January of each year. At the same time, quarterly information on the registration of new organizations is provided to Armstat marz agencies for their inclusion in the statistical observation field as needed.
	7.2 Produce dissemination products	Statistical Business Register database is used to design the sampling of the subject matter units, as well as for the databases cross checking purposes.
	7.3 Manage release of dissemination products	In case of the changes and adjustments made in the indicators provided by the providers of statistical data the indicators already published by the Armstat are also being changed and adjusted correspondingly.
	7.4 Promote dissemination products	-
	7.5 Manage user support	In case of an official request by the dtatistical information users and where it is possible, the information from the business register database is derived and provided to them following the principle of confidentiality of statistical information.

8. <i>Evaluation</i>		
	8.1 Gather evaluation input	Armstat gets data from the agency of State Register of Legal Entities of the RA Ministry of Justice on-line and from the Ministry of Finance annually by USB flash drive.
	8.2 Conduct evaluation	From the point of view of quality management of statistical indices, the relevant indicators in statistical reporting forms that are business register questionnaires, and indicators received from administrative sources are compared.
	8.3 Agree an action plan	In the case of detection of discrepancies between the data received from different sources on the same indicator, the revealing of the possible reasons is carried out, and the corresponding final adjustment is implemented based on it.