



Indicators for territorial policies: closing data gaps by using traditional and new sources and methods

## Improvement of business statistics from territorial perspective

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## **Abstract**

In the last years, there is a high demand from users to produce statistical information disaggregated at the subnational level, including on business statistics. Thus, the users such as central and local authorities, managers, investors, analysts express their need for this data in order to be able to take right decisions on sustainable regional development. Taking into consideration the above mentioned, one of the main objectives of official statistics is to ensure the availability, quality and comparability of data on business activity at the subnational level.

The production of official statistics on business activity is based on the following principles:

- 1) Enterprise headquarters respond to business surveys, including to questions on territorial activity. Administrative sources such as financial reports, tax data and enterprise reports to social protection system, are recording data at enterprise level
- 2) Structural Business Survey (SBS) collects three indicators (turnover, number of employees and remunerations) from self-declared local units. The survey is a sample-based one and enterprises of 20 employees and less are represented only at the national level.

Based on the above mentioned, statistical data by regional breakdown are not fully reliable and does not reveal the real situation at the regional level. Thus, the computation of business statistics cannot be performed directly based on existing statistical survey and/or using administrative data sources.

To tackle this limitation in data availability/breakdown, the BNS is combining administrative data (annual financial report) with statistical data (SBS) in order to produce regional data for three economic indicators: Turnover, Number of employees and Remuneration value.

The statistics produced under this method can be generalized and are relevant to the lowest level of territorial breakdown (even at the village level), including economic activity according to NACE Rev. 2 at the most detailed level (taking into consideration statistical disclosure control).

The statistics were produced for the first time according to the presented method in 2013 and are available on the webpage of the National Bureau of Statistics at the following address:

http://statbank.statistica.md/pxweb/Database/RO/TER/24%20ANT/ANT02/ANT02.asp

Based on the same approach, a bottom up method was developed, in the frame of the STATREG project<sup>1</sup>, to estimate regional gross value added by industry, combining data from SBS, at local unit level, and data on small enterprises supplied by financial reports. This approach is based on two assumptions:

- Enterprises of 20 employees and less have all their local units in the same region;
- Productivity is the same in local units of the same enterprise.

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<sup>&</sup>lt;sup>1</sup> STATREG is the EU financed technical assistance project for "Improved Regional Statistics in the Republic of Moldova" (EuropeAid/135932/D/SER/MD, contract n° 2014/349632) – www.statreg-moldova.eu/