Strengthening Evidence-based MSME Policymaking in ASEAN

Building up more robust, timely, comparable and accessible business statistics

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Acknowledgments

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1. Introduction

The ASEAN SME Policy Index 2018 assessment found that many ASEAN member states (AMS) struggle to produce official business statistics that are accurate, timely, accessible and comparable. The causes echo those in many OECD countries: statistical surveys and censuses can be very costly, and administrators may face low and skewed response rates. An accurate picture of micro, small and medium-sized enterprises (MSMEs) can be particularly difficult to capture: this class of enterprises, due to a higher response burden and issues of trust, may be less likely to participate fully and accurately in surveys and censuses than larger enterprises. Many ASEAN countries are exploring the use of administrative data to supplement traditional methods of collection and compilation of business statistics, but face issues co-ordinating and exchanging information, as well as promulgating common standards, among different government bodies.

This lack of reliable and timely data hinders domestic policymaking, but it can also hinder community-building at the regional level. The 2018 ASEAN SME Policy Index found significant differences of definition and calculation across AMS, and few countries currently compile statistics that can be regionally and internationally comparable. This lack of data presents a sizeable issue for the ASEAN Community to assess the progress of their strategic action plans accurately, and to formulate new, evidence-based action plans in the future.

Better data and statistics play a pivotal role in producing sound evidence for building sound policy. *First*, they enable policymakers to channel public resources towards where they are most needed and to where they can generate the highest social returns. They also enable policymakers to track how these investments are performing, and to phase them out when they are not performing as desired. *Second*, they make policymaking more transparent and accountable, by helping electorates to understand why policy decisions are being taken, how they have performed, and to hold governments accountable for this performance – thus strengthening government effectiveness as well as public confidence. *Third*, and finally, they enable policymakers to forecast more effectively, and this is becoming increasingly important as societies and challenges become more interlinked and complex.

The ACCMSME, with technical assistance provided by the OECD through the Canada-OECD Project for ASEAN SMEs (COPAS), has begun to explore ways to strengthen the production of business statistics across the ASEAN community. This activity was initiated through a workshop on MSME data and statistics, held in September 2019 in Jakarta, Indonesia. The workshop gathered representatives of the main SME policy body and the leading statistical authority from each AMS, experts from the OECD, and officials from the ASEAN Secretariat. The narrative of this report reflects findings and conclusions from

this workshop, as well as peer learning carried out at the ASEAN-OECD 12th Regional Policy Network (RPN) Meeting on SMEs held in November 2019 in Phnom Penh, Cambodia.

2. Building robust, policy-relevant, comparable and accessible business statistics

Business statistics can originate from different sources. Most commonly, they are produced within national statistical systems (i.e. by national statistics offices (NSOs) and other national authorities). This is particularly the case for structural business statistics and business demography statistics. In many countries, other national authorities compile specific business statistics pertaining to their mandated policy area – a country's central bank may compile statistics on enterprise financing, for instance. International and supranational organisations, such as the OECD and the European Commission respectively, cooperate actively with NSOs for the development and dissemination of official business statistics, with the aim to provide internationally comparable data.

Box 1. **An overview of activities to boost the quality and cross-country comparability of business statistics in the OECD**

Industrial statistics have been an OECD workstream for many years, and, over time, this activity has expanded to cover enterprise structure and activity by size class, as well as enterprise demography. In 2005, the OECD Statistics and Data Directorate combined its Structural Statistics for Industry and Services database (SSIS) and its Statistics by Enterprise Size Class database (SEC), in order to form a new database on structural business statistics. This move was requested by the 2004 OECD Istanbul Ministerial Conference on Small Businesses and Entrepreneurship, and specifically its Special Workshop on Small and Medium Enterprise (SME) Statistics, which called on the Organisation to improve the quality of business, and especially SME, statistics. Through this new database and related work, the OECD sought to: i) increase the quality and cross-country comparability of data; ii) expand the availability of data on SMEs; iii) expand coverage of services activities, in line with one of the general priorities for OECD statistics. Over time, this database was subsequently expanded to include data on business demography.

Today, the OECD's Structural and Demographic Business Statistics (SDBS) database provides quantitative data on the population of businesses in OECD economies, in order to support analysis by policymakers and researchers alike. Alongside a broad range of indicators including employment, turnover, value-added, production, operating surplus, labour costs and investment, the SDBS database provides breakdowns of data by industrial sector and size classes of businesses.

In addition, private and third sector bodies – such as business associations or chambers of commerce – may produce statistics on business performance, structure, or sentiment. This report will predominantly focus on the production of business statistics within national statistical systems.

Despite their utility, business statistics can be complicated and costly to collect and process. The exercise is confronted by multifarious challenges, which are particularly acute when it comes to MSMEs, given idiosyncrasies such as the need to survey a large number of units, low response rates, or higher sensitivity of these businesses to any administrative burden. This sensitivity can have implications for both business behaviour (i.e. certain enterprises may be absent or misrepresented in administrative registers due to their choice on organisational and/or legal form), as well as the data gathering exercise (i.e. many countries attempt to alleviate the response burden on MSMEs, and, for instance, may not survey micro enterprises for this reason). The regular compilation of robust MSME data is a relatively recent phenomenon in OECD countries, going back to only around two decades.

2.1 Current state-of-play in ASEAN and main challenges

Accurate, timely and accessible statistics

Most AMS conduct **surveys and censuses** of business structure, producing data on business type and activity. Most AMS have also invested heavily in efforts to boost statistical capacity, or are ramping up efforts to do so. Many are starting to develop or enhance **statistical business registers**, and are exploring ways to increase the use of **administrative data**, in order to produce and verify official business statistics.

In many cases, this is also linked to efforts to track progress in achieving the Sustainable Development Goals (SDGs), and is supported by international and bilateral partners, particularly in countries that face higher resource constraints. Notable international and bilateral actors here include PARIS21, UNESCAP, UNECE, the Organisation for Islamic Cooperation (OIC), as well as Japan International Cooperation Agency (JICA), Australian Agency for International Development (AusAID) and Swedish International Development Cooperation Agency (SIDA).

Issue 1. Most AMS identify resource constraints as a key hurdle in compiling official business statistics.

In most ASEAN Member States, national statistical offices are ramping up efforts to obtain access to administrative data and increase its usability for statistical purposes. This is an ongoing task, however, and in the meantime, most mainly rely on census and survey data to produce official business statistics. This tends to be very costly, and most AMS, including the higher income countries, identify this as a key challenge to producing official business statistics. In Malaysia, for instance, the last economic census (in 2016) cost around MYR 50 million (equivalent to around USD 12 million) and the next census is expected to cost around MYR 70 million. In the Philippines, the latest census (the Census of Philippine Business and Industry - CPBI) was allotted a budget of PHP 101.4 million (around USD 2 million). Higher income countries with good ICT infrastructure can take advantage of cost-saving technologies such as

questionnaires sent by e-mail, and expect that respondents are likely to receive these questionnaires and not face too many challenges to complete them. This approach may not be as readily available to lower income countries, who may already find the cost of conducting a census as being prohibitively high. In a number of ASEAN countries, for instance, censuses are either not conducted, or are not conducted with the frequency planned. In many cases, moreover, cost barriers may result in low response rates and difficulties in effectively compiling and verifying the information collected.

Issue 2. Many AMS continue to struggle with sub-optimal response rates.

Low or sub-par response rates in economic censuses and surveys are a common problem for many countries worldwide, and several strategies have been designed to address the issue. These strategies could include measures to reduce the response burden, and this should have particularly important implications for MSMEs. These measures include shorter and clearer questionnaires, smaller samples, sample rotation, conducting topic-specific surveys, and exclusion of smaller enterprises, as well as estimation of data. A number of countries have also established consultation mechanisms, which have generally helped to increase response rates, provide new (and more robust) data, and increased the efficiency of the whole process. These consultations could be with data providers (for instance through voluntary feedback mechanisms) or with data users (to increase the NSO's understanding of their needs and expectations, thus allowing them to zoom in on the most useful data that can be collected, and how to compute it into usable statistics). Confidentiality and privacy concerns may also help to explain low response rates.

Box 2. **Improving response rate: the example of Australia**

Australia has made considerable strides to obtain a very high response rate in its censuses, and this has been done through a mix of strategies. These strategies include: *i)* an investment in e-census; *ii)* a strong communications strategy that highlights the benefits of the exercise for respondents as well as the penalties; and *iii)* maximising trust in the accuracy of census data by releasing as much raw- and metadata as quickly as possible to allow researchers to make their own estimates of reliability.

Issue 3. Most AMS highlight complications co-ordinating between different government agencies, which, in particular, may reduce their access to administrative data.

During the course of the two-day workshop in Jakarta, many NSO representatives reported difficulties co-ordinating and communicating between different government agencies, citing this as a major barrier to making use of administrative data. This could be addressed by increasing consultation with these bodies, and by illustrating more clearly the benefits of co-operation – mainly, by showing how having access to

better quality and more timely data and statistics can enable them to perform their tasks more effectively. For this reason, strengthening dissemination channels is key.

Issue 4. Many AMS line ministries have indicated that they might not be aware of the full range of business statistics that are available, or that could be policy-relevant.

During the course of the workshop, many ACCMSME delegates indicated that they were not aware of the full range of business statistics that were currently compiled by their statistical authority. This echoes feedback from other statistical stakeholders, including those in academia and the corporate sector, as well as a number of statistical authorities themselves, who report rather closed mechanisms for sharing certain datasets, such as a signed MoU with one or a select group of government agencies.

The value of business statistics comes from not only how they are computed, but also how they are used. Business statistics should help to inform the design and assessment of SME policies and programmes, and this will not be possible without strong dissemination. This means making statistics available across the public administration, but also making them available to external stakeholders, such as researchers, civil society and the private sector. Ensuring that SMEs can access this information, in particular, can encourage them to become stakeholders in the exercise going forward. Aside from ensuring that these statistics are widely available, statistical authorities could also ensure that they are sufficiently descriptive – factors cited as limiting the usefulness of business statistics include inadequate size-class breakdowns and insufficient spatial disaggregation of data, for instance.

Eurostat has developed comprehensive guidelines on data dissemination, which are presented in the European Statistics Code of Practice (2017). These guidelines are consistent with those encoded in the OECD Recommendation of the OECD Council on Good Statistical Practice (2015). The key elements of the OECD Recommendation are summarised in Box 2.

Issue 5. Most AMS report the need to invest further in ICT and the adoption of statistical standards.

The production of official business statistics in a number of AMS would be greatly enhanced by investments in more comprehensive ICT infrastructure and the adoption of common statistical standards across different government agencies, including those collecting administrative data. Whilst this would imply an upfront cost, cost savings over the long term should be sizeable.

Box 3. **Key elements of OECD Recommendation on Good Statistical Practice (2015)**

1 Develop an adequate dissemination policy which respects the following key principles:
   - Relevance: statistics meet user needs. User satisfaction is measured (satisfaction survey)
   - Accuracy and reliability: statistics accurately and reliably portray reality
   - Timeliness and punctuality: statistics are released in a timely and punctual manner
   - Coherence and comparability: statistics are consistent internally, over time and comparable between regions and countries; it is possible to combine and make joint use of related data from different data sources.
   - Accessibility and clarity: statistics are presented in a clear and understandable form, released in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.

2 Update the output systems for disseminating products
   - Format data and metadata, ready to be put into output databases
   - Load data and metadata into output databases
   - Ensure data are linked to the relevant metadata

3 Prepare products for dissemination
   - Prepare the product components: explanatory text, tables, charts etc.
   - Assemble components into products
   - Edit the products and check that they meet publication standards
   - Apply disclosure control (confidential or sensitive information must not be released)

4 Manage the release of dissemination products
   - Check that all the elements for the release are in place
   - Respect timing of the release
   - Check that impartiality and objectivity are respected

5 Disseminate products
   - Use customer relationship management tools to better target potential users of the product
   - Use tools including web sites, wikis and blogs to communicate statistical information to users

6 Manage user support
   - Record customer queries
   - Respond within agreed deadline
   - Analyse queries are analysed to detect new or changing user needs.

The establishment of a proper statistical business register (SBR) is a fundamental step for the efficient production of business statistics. Efforts to guarantee the quality of administrative data as well as to harmonise its metadata with that of data contained within the SBR, may help to reduce the need for business surveys, and facilitate the production of new datasets, such as those that track business demography. It will

likely require parallel administrative efforts, such as the creation and implementation of unique administrative identifier code for economic units operating in the country. In France, for instance, a unique administrative identifier code (i.e. Siret number) is attributed to each economic unit, to better track changes in activity and de-registration.

In this task, building and diffusing precise definitions is key. Slight definitional differences can yield very different results, limiting the compatibility of data. Important considerations for the production of official business statistics on MSMEs are: *i)* the observation unit, *ii)* the classification of firm size, and *iii)* the classification of industrial sector. Many OECD countries currently use an industrial sector classification based on ISIC Rev.4, and this also seems to be the case in most ASEAN countries. However, information gathering for this exercise indicated considerable differences in the observation and statistical unit used across ASEAN, as well as the classification and calculation of firm size class.

In terms of statistical unit, most statistical offices of OECD countries use the "enterprise"; this is notably the case for OECD countries that are member states of the European Union (EU). It is important to note that other units are foreseen under EC Regulation 696/93 of the EU, which sets out eight different units, as well as their definitions. While this is not incompatible with community building, there should be awareness of definitional differences and the reasons justifying divergence, as any difference will then require efforts to harmonise data for regional use.

Box 4. **Common units of observation for business statistics: Enterprises vs. establishments**

Most OECD countries use either the enterprise or the establishment as the main statistical unit observed within their business frame, with the "enterprise" being the most common. A common definition of each is as follows:

An enterprise is the smallest combination of legal units that is an organisational 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 establishment is an enterprise, or part of an enterprise, that is situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.

In fact, enterprises can consist of a single or multiple local units, i.e. establishments. In all countries, most enterprises have only a single establishment, but there are also numerous enterprises that consist of many establishments. These multi-plant firms comprise especially large and very large enterprises that can be marked by considerable degrees of geographic diversity and variety in the sectors in which the firm is active. In the United States, for instance, the proportion of multi-plant firms among the entire business population has been estimated to be around one third, but multi-establishment firms constitute around 57 percent of all employment.

Note: For further reading, please refer to UNECE (2015) and OECD (2017).

Size class calculation is another important consideration. The calculation of the "number of persons employed" will yield different results to "the number of employees" for instance, and the former is used most commonly in OECD countries. This definition measures the total number of persons who worked in or for the concerned unit during the reference year, whether full-time or part-time. It includes employees, working proprietors, partners working regularly in the enterprise and contributing unpaid family workers. The staff headcount criterion usually also includes temporary and seasonal employment (OECD, 2019).

A number of statistical offices in AMS appear to use one size class definition for both statistical and administrative purposes. Most OECD countries maintain a legal definition of SMEs that is used for administrative purposes, and a definition of SME that is used to produce official business statistics.[1] The definition used for statistical purposes typically only implements one size-class criterion, given the need to maximise coverage and data consistency over time. The most common metric used is the size of the business' employment, i.e. the number of employees or persons employed. The main reason for using this metric is that official statistics should be as complete as possible, and employment is one of the most readily available business indicators (OECD, 2019).

Different countries apply different business size thresholds, based on the structure and size of their economies and/or derived from other jurisdictions. A growing number of countries are using the standard approach applied by the European Statistical System (ESS) that sets at less than 250 persons employed the upper limit for an enterprise to be an SME. Within this upper bound, a more granular firm size class breakdown is typically computed by statistical offices to distinguish in particular micro from small from medium-sized businesses, which can then be made compatible with definitions used for domestic administrative purposes as well as those used by regional and international communities, and over time. This is the case in the Philippines, for instance.

Issue 6. Most AMS report human capital constraints, particularly at the junior level.

Most AMS have reported that they face human capital constraints, particularly at the junior level, and this reduces their capacity to perform appropriate quality checks, specifically those pertaining to data treatment and linking. Microdata linking can be technically challenging, due to a number of factors, including: *i)* the consistency of concepts and definitions across different domains; *ii)* a lack of common identifiers and the need to match using company names and addresses; and *iii)* confidentiality issues due to increased

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[1] The former is typically applied to decide whether a firm is eligible to access public programmes, and / or various policy exemptions. It typically defines firm size based on two criteria: i) size threshold(s) based on specific dimensions, e.g. employment, turnover, total assets; ii) resources (e.g. financing) that an enterprise has access to, and this is also influenced by whether the enterprise is independent or connected to other enterprises.

granularity of information. However, it can also be more cost-efficient, and it can help policymaker to obtain evidence to answer increasingly specific and complex policy questions, such as: *i)* which enterprises invest more?; *ii)* how does employment evolve in enterprises?; and *iii)* which firms exports more, and what impact does it have on employment?

Comparable statistics

AMS increasingly recognise the utility of having comparable statistics at the community level, particularly as most sectoral work plans developed by ASEAN sectoral bodies have reached their mid-term.[2] However, significant **definitional and quality differences** continue to exist between member states, making this goal a challenging one. More could be done to integrate this subject into discussions taking place at the community level, in order to encourage **co-operation and co-ordination in the production of business statistics**, which may also reduce the costs of capacity enhancement for individual member states.

Issue 1. Definitional and calculation differences, as well as differences in quality, may hamper the realisation of comparable statistics.

This exercise, as well as the ASEAN SME Policy Index 2018, indicate that considerable definitional and calculation differences exist across AMS. They also indicate mismatches in the quality of source data – in some countries, surveys and censuses take place infrequently, and struggle with high response rates or potential distortions in the sample frame.

Many of these considerations have been mentioned previously, because they all impact upon the quality of data available for domestic purposes. To this, one could add two further definitional considerations, which AMS could potential consider opening up for discussion at the regional level, with a view to developing a harmonised approach:

- **Firm size classification:** Thresholds to determine firm size differ by country, and these are sometimes based on the structure of their economies and sometimes copied from other jurisdictions. A growing number of countries are using the standard approach applied by the European Statistical System that sets the upper limit to be defined as an SME at less than 250 persons employed. In a number of countries, the smallest band of size classes is also omitted from the data gathering exercise altogether. This can be the case for non-employing businesses, for instance. In a number of OECD countries, such as Australia, these businesses have only begun to

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[2] In this context, the ACCMSME has undertaken a mid-term review to track implementation of the ASEAN Strategic Action Plan for SME Development 2016-2025.

be counted in surveys for the last ten years or so (OECD, 2004b). This should be considered in any efforts to compile data a region-wide dataset.

- **Industrial sectors included in the business frame:** Most countries identify certain economic activities that will be excluded from the frame. In most OECD countries, for instance, financial and insurance services (ISIC Rev.4 64-66), as well as agriculture l have been so far kept separate from the count and excluded from official structural business statistics, given the specific characteristics of these sectors (OECD, 2019). This appears to be the case in some ASEAN countries too.

Issue 2. There is currently limited statistical co-operation in this policy area under the AEC framework.

The main forum for discussion and agreement on statistical co-operation at the ASEAN level is the ASEAN Community Statistical System (ACSS) Committee. This Committee has not yet covered the topic of official business statistics under its workplan, however, and this may limit co-operation and co-ordination in this area. A number of sectoral bodies in ASEAN are currently struggling to identify harmonisable country-level data and statistics that can be used to assess the implementation of AEC strategic action plans, as well as the impact of AEC goals and objectives more broadly. This includes the ACCMSME, which has conducted two rounds of data collection to track performance against KPIs outlined in the ASEAN Strategic Action Plan for SME Development 2016 – 2025 (SAP SMED 2025). These exercises have been hampered, however, by the challenge of missing and incompatible data.[3] A number of member states do not produce key statistical indicators, whilst significant variations in firm size classification and metadata reduce the comparability of business statistics more broadly. These factors impede the ability of analysts and policymakers to obtain an accurate picture of enterprise structure and dynamics across the region.

Some bilateral co-operation between AMS does take place, but more could perhaps be done to bring some of this work into discussions taking place at the community level. A number of initiatives take place within other fora, and thus do not necessarily involve all member states. In October 2018, for instance, representatives of Malaysia's Department of Statistics visited the Department of Economic Planning and Statistics of Brunei Darussalam, as part of a technical mission organised by the Organisation for Islamic Cooperation (OIC)'s Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC). The mission was organised as part of SESRIC's Statistical Capacity Building (StatCaB) Programme. Its theme was "Business Censuses and Registers", and it sought to provide an overview of

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[3] These initiatives were supported by Japan through the Japan-ASEAN Integration Fund (JAIF).

how the statistical business register is compiled, maintained and enhanced in Brunei Darussalam, and to generate discussion around modernisation of Malaysia's statistical business register (the MSBR).

2.2 Recommendations to enhance the production of business statistics in ASEAN

The OECD and ASEAN sectoral bodies (the ACCMSME and the ACSS) could implement a number of activities from 2021 until 2025 (the horizon for many existing sectoral work plans) to strengthen official business statistics in ASEAN. This section outlines an initial list of potential actions and activities.

On the supply side

Goal 1. Accurate, timely and accessible statistics

Recommendation 1. Strengthen statistical authorities' capacity to make use of administrative data.

The OECD, the ASEAN Secretariat and its sectoral bodies could organise a set of workshops to discuss, refine and diffuse key definitions used to classify businesses for statistical purposes, spearheaded by NSOs from each member state. These workshops could also serve to support and reinforce discussions with the providers of administrative data (and the ASEAN sectoral bodies they are linked to), for instance on the mechanisms and procedures required to enable NSOs to obtain access to administrative data, in a way that also protects the original source's privacy. This may involve work to build and strengthen common firm identifiers, as well as to build further capacity to link and match sources, as well as to perform quality control.

Recommendation 2. Continue and potentially accelerate efforts to strengthen statistical business registers

In light of the importance of the statistical business register as a key tool for the efficient production of economic statistics, the OECD, the ASEAN Secretariat and its sectoral bodies could support work to build or strengthen the statistical business register in each AMS, with the ACSS serving as a forum for discussion and sharing of good practices and analysis in this area. This discussion could also involve other international bodies actively working on this topic in AMS, such as the Asian Development Bank (ADB).

Recommendation 3. Consider implementing a pilot project to reinforce co-operation among different administrative bodies for statistical purposes

The OECD, the ASEAN Secretariat and its sectoral bodies could organise a set of workshops to promote discussion between NSOs and administrations collecting business data on how to co-operate and exchange information more effectively. This could be organised as part of the workshops proposed under Recommendation 1 of this report, with the inclusion of a discussion on strengthening the legal framework

underpinning this exchange, for instance to further support data privacy and security. It could also possibly target the development of a common new statistical resource as an end goal, for instance the creation of a trade by enterprise characteristics (TEC) dataset via the linking of business statistics and trade data. This may be an effective way to illustrate the benefits of this investment for all parties involved.

Goal 2. Comparable statistics

Recommendation 1. Consider proposing "business statistics" as a temporary ACSS agenda item

The OECD and the ACCMSME could propose for the ACSS to establish a temporary task force or a repeated agenda item for a period of a year to explore the development of business statistics, with a particular focus on MSMEs. A number of potential topics for discussion are proposed within the body of this section (section 2.3), and could also potentially involve the implementation of a peer review process, potentially starting with reviews of countries targeted under the Initiative for ASEAN Integration (IAI) (Cambodia, Lao PDR, Myanmar and Viet Nam).

Recommendation 2. Consider undertaking more discussion at the ASEAN level on comparable classifiers

The OECD, the ASEAN Secretariat and its sectoral bodies could organise a number of the workshops proposed in Recommendation 1, Goal 1 of this report (around common classifiers) at community level. These workshops (or less formal discussions) could take place on the margins of ACSS meetings, and could involve discussing, and potentially agreeing upon, the adoption of common classifiers to produce official business statistics. It could cover, among other classifications:

- **The observation and statistical unit used:** Whilst not all EU NSOs observe the same unit, EC Regulation 696/93 provides some clarity by identifying appropriate units as well as their definitions.
- **The economic activities that should be excluded from the business frame, if any.**
- **The firm size classes used.** Whilst it often makes sense to firm size based on a country's unique economic and industry structure, particularly in a region as diverse as ASEAN, AMS may decide to conclude an agreement on the data matching of size classes between NSOs. This agreement may encourage NSOs to define the upper and lower bounds of their size classes in a way that can match with those used in other AMS, even if they group a few classes under one classification for their own statistical purposes. This may be a particularly important basis for conducting censuses and surveys, and is one of the main impediments limiting comparability at the supranational level.

Recommendation 3. Explore public-private partnerships that could provide new sets of comparable data

The OECD, the ASEAN Secretariat and its sectoral bodies could discuss public-private partnership initiatives for the development of business statistics, and work to identify best practices that may be relevant to ASEAN countries. This would ideally involve the active participation of the Global Partnership for Sustainable Development Data, and potentially PARIS21, in order to also support ongoing efforts to track progress in realising the SDGs, as it touches upon this statistical area.

On the demand side

Goal 1. Accurate, timely and accessible statistics

Recommendation 1. Strengthen communication between statistical and enterprise development agencies

SME development agencies could consider advocating for the implementation of good practices for co-ordinating between a country's enterprise development agency and its NSO. A large number of countries have a national statistical council or committee in place, and a few have a cross-governmental high-level body tasked with co-ordinating enterprise development policies. In many cases, however, the body responsible for enterprise policy does not sit on statistical council or committee, and a representative of the NSO does not sit on the high-level body tasked with co-ordinating enterprise development policies (see Table 1).

Table 1. **The inclusion of SME policy bodies on councils governing statistical policy in AMS: An overview**

Institutionalised co-ordination mechanism			NOTES
AMS	Yes	No	
BRUNEI DARUSSALAM	✓		The Permanent Secretary (Industry) of the Ministry of Finance and Economy is a member of Brunei Darussalam's National Data Coordination (NDC) Steering Committee. The NDC Steering Committee aims to strengthen national data coordination.
CAMBODIA		✓	There is no representative of the Ministry of Industry and Handicraft (the body responsible for SME policy) sitting on the Statistics Advisory Council. The Statistics Advisory Council is in charge of advising the Minister of Planning.

Institutionalised co-ordination mechanism			NOTES
AMS	Yes	No	
INDONESIA	✓		There is a representative of the Ministry of Co-operatives and SMEs of the Republic of Indonesia (the body responsible for SME policy) in the form of the Director for Development of Small and Medium Enterprises and Cooperatives who is a part of the Council of Ministers of the National Development Planning Agency of Indonesia (BAPPENAS), which is in charge of advising the Badan Pusat Statistik (BPS) or Central Bureau of Statistics of Indonesia.
LAO PDR		✓	There is no representative of the Department of Small and Medium Enterprises Promotion (DoSMEP), under the Ministry of Industry and Commerce (MIC) (the body responsible for SME policy) on the council of the Statistics Bureau of Lao PDR.
MALAYSIA	✓		There is a representative of SME Corp Malaysia (the Central Coordinating Agency (CCA) for the development of SMEs) sitting on the Statistics Advisory Council of the Department of Statistics, Malaysia (DOSM).
MYANMAR		✓	There is no representative of the Ministry of Industry or the Myanmar SME Development Agency (the bodies responsible for SME policy) on the council of the Central Statistical Organization (CSO).
PHILIPPINES	✓		A representative of the Department of Trade and Industry (DTI) (the body responsible for SME policy) sits on the Interagency Committee/Task Force on Statistics of the Philippine Statistics Authority (PSA).
SINGAPORE		✓	Singapore Department of Statistics (DOS), which is under the Ministry of Trade and Industry (MTI), works closely with its parent ministry and Enterprise Singapore (the agency responsible for enterprise development policy) to ensure that their statistical needs for policy development are met.
THAILAND	✓		There seem to be few institutionalised mechanisms for consultation between the National Statistical Office of Thailand and OSMEP (the body responsible for SME policy), but OSMEP has a unit that is an active producer of SME statistics, namely its Statistics and Research Bureau (SME Database and Statistics division).
VIET NAM		✓	There is no representative of the Enterprise Development Agency (the body responsible for SME policy) sitting on the council of the General Statistical Office of Viet Nam (GSO).

This could be a relatively straightforward solution to strengthen communication between the two, and to advocate for further investment in improving the quality and timeliness of official business statistics. It could also take place as part of (and support) broader efforts to modernise business registers across ASEAN and develop unique business identification numbering systems – an initiative that is being supported by the ASEAN Task Force on Starting a Business.

Recommendation 2. Frame and advocate more strongly for critical statistical requirements

SME development agencies could work to compile (and update over 6 months) a list of critical policy questions that enterprise development bodies need and cannot find (sufficient) data on (i.e. a list of priority data requirements). This could include a consideration of data required for monitoring the impact of ASEAN integration on SMEs in the region, should an agreed conceptual framework already be in place. This list could be shared afterwards with each country's NSO, and there could be discussions on how to start compiling missing data.

Recommendation 3. Consider further efforts to boost user interest and ability to make use of data and statistics produced by NSOs, perhaps beginning with the development of a living informational tool

The OECD, the ASEAN Secretariat and ACCMSME could help each AMS to develop "living" informational tools where one does not already exist. This tool would list the different data available on the SME sector, and where it can be accessed, potentially featuring visualisations of some of the data available. This work would aim at addressing difficulties in accessing sound, consistent and thorough quantitative information on the business sector in some AMS.

Goal 2. Comparable statistics

Recommendation 1. Consider drafting a data request for submission to the ACSS, following its Protocol for New Data Requests from ASEAN sectoral bodies

In 2018, the ACSS adopted a "Protocol for New Data Request from ASEAN Sectoral Bodies". This Protocol aims to guide the prioritisation of new statistical indicator requirements, in order to allocate resources effectively. Under this Protocol, sectoral bodies must submit an official request to the ACSS for the required statistical indicators, in which the ACSS will review and respond to the new data requests. The new data requests will be assessed based on: *i)* data availability and *ii)* conceptual clarity and methodological availability.

The ACCMSME could develop a draft request for review among delegates, and submit to the ACSS.

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Annex A. Overview of official business statistics production in each AMS

Brunei Darussalam

Governance for the production of business statistics

The Department of Economic Planning and Statistics (JPES), Ministry of Finance and Economy, through the Department of Statistics (DOS), serves as the authority on national socio-economic statistics in Brunei Darussalam. The Department is responsible for coordinating the country's national statistical system.

All business censuses and surveys carried out by the Department are governed by the Statistics Act, Chapter 81 from the Laws of Brunei Darussalam. The Act provides independence to determine the coverage, contents, methodology and periodicity of data collection. The Statistics Act also sets out penalties for any breach of statistical confidentiality and outlines the requirement to protect all information of a confidential nature. The Department consists of four main divisions, namely: i) the Real Sector Division; ii) the External Sector Division; iii) the Social Division, and; iv) the Statistical Dissemination and Coordination Division.

Conceptual base and classifications

The DOS uses the *enterprise* as its observation and statistical unit for compiling business statistics, based on the unit's legal registration within the country's Registry of Companies and Business Names (ROCBN).

The firm size class breakdown used by the DOS follows the classification developed and endorsed by the Ministry of Industry and Primary Resources (now known as Ministry of Primary Resources and Tourism) (see Table A.1, below).

Table A.1. **JPSE classification of business size**

Category	Number of persons employed
Micro	Less than 5
Small	5-19
Medium	20-99
Large	100 and above

The JPES classification of firm size is used by a number of public authorities for the purpose of developing policy, but not all. The Labour Department of the Ministry of Home Affairs of Brunei Darussalam (MoHA) currently uses the number of employees to determine firm size, but deploys a different set of thresholds, with the main difference occurring between the small and medium size categories (see Table A.2).

Table A.2. **MoHA (Dept. of Labour) classification of business size**

Category	Number of employees
Micro	1-5
Small	6-50
Medium	51-100
Large	101 and above

Ministry of Finance and Economy (MOFE), (the ministry responsible for industry development) is the government authority responsible for catalysing domestic enterprise. It is also in the process of developing a national definition of MSMEs, which may use both employment and financial characteristics to determine classifications by firm size. This classification, however, adopts a third set of thresholds for size by number of employees, with new thresholds for all three MSME size categories. To identify the business entities involvement in economic activities, the DOS uses the Brunei Darussalam Standard Industrial Classification (BDSIC) 2011 as its industry classifier, a standard based on the International Standard Industrial Classification (ISIC) Rev. 4.

Sources for the business frame

The DOS uses administrative data, in particular data from the ROCBN, as well as censuses and surveys and other inputs, such as newspaper articles, and feeds this into its Business Information System (SMS), to compile its business frame (see Figure A.1).

Figure A.1 **Brunei Darussalam's method for compiling its business frame**
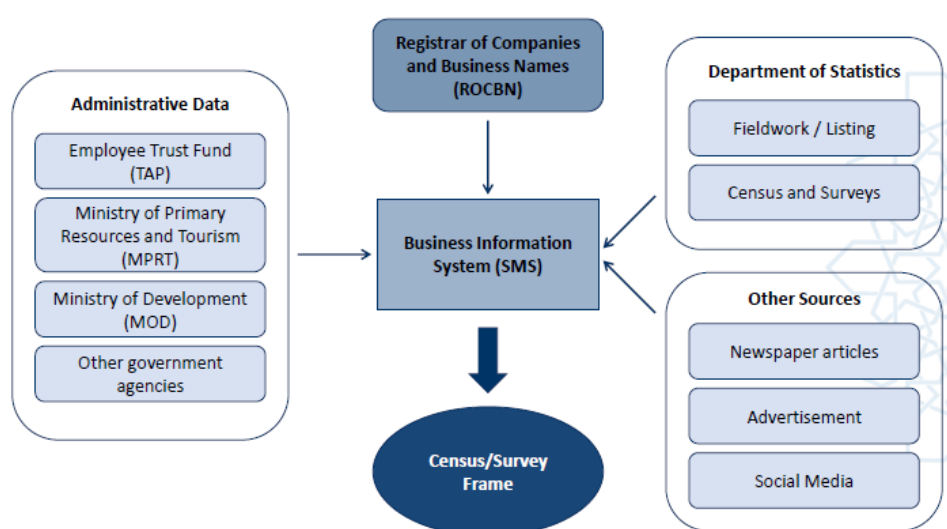
It conducts three main statistical studies of business structure and activity, which are used to compile the business frame and produce official statistics. These are the *Economic Census of Enterprises* (ECE), conducted every five years, the *Annual Census of Enterprises* (ACE), conducted every year (except the year that the ECE is conducted), and the *Quarterly Survey of Businesses* (QSB), conducted every quarter. The ECE is conducted by the DOS' National Accounts section, and it seeks to measure structural changes within commercial and industrial sectors at the national level. To supplement this information, the DOS has carried out the ACE since 2015, to compile more timely indicators of private sector employment, turnover and expenditure.

Production of official business statistics

JPES collects and compiles official statistics based on two main sources: *i)* censuses and surveys conducted by JPES; *ii)* administrative data collected by authorised government bodies. JPES, through the DOS, compiles almost all statistics on businesses operating in Brunei Darussalam, including estimated statistics on MSME contribution to total private sector employment as well as to national GDP. Information sharing between different government agencies is facilitated and governed by the country's Statistics Act.

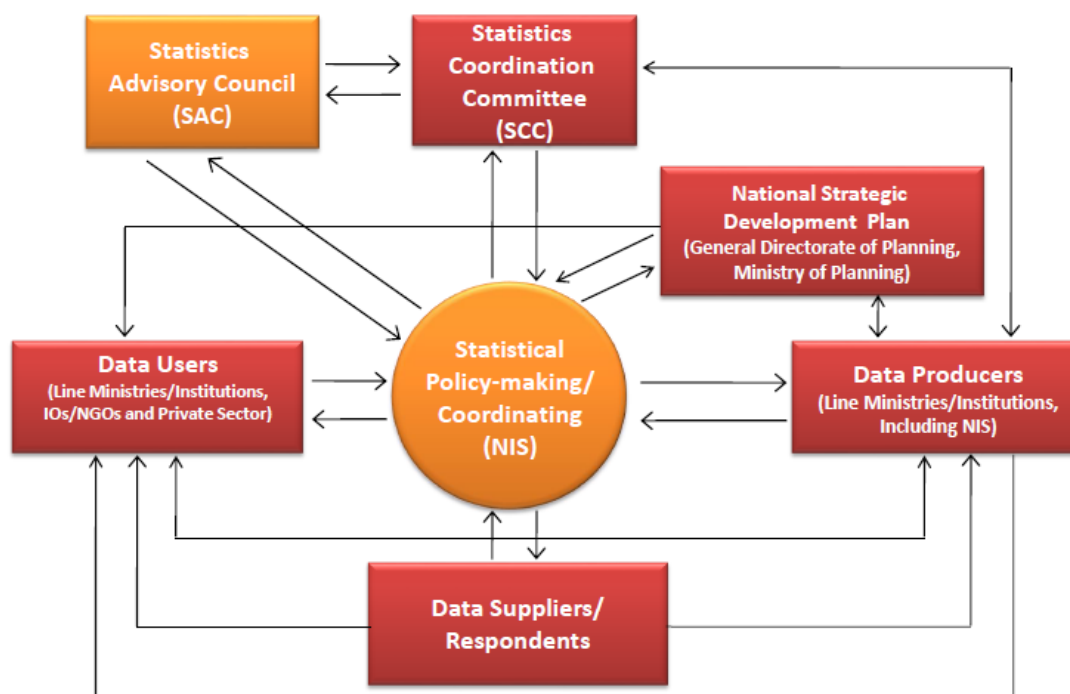### *Dissemination of official business statistics*

Official business statistics are made available free-of-charge on JPES's official website, in the form of reports, media releases, infographics and aggregated tables. In addition to this resource, official business statistics are disseminated via Instagram (@statistics.jpes), newspapers (in the form of infographics and media releases), and other publications.

Cambodia

Governance for the production of business statistics

The National Institute of Statistics (NIS), under the Ministry of Planning, is the main body responsible for the production of national statistics in Cambodia. The NIS performs the dual function of compiling data from various government bodies, as well as collecting primary data through the census and surveys. The production of official business statistics in Cambodia is governed by the country's Statistics Law (2017), as well as its Sub Decree on Designated Official Statistics. The Sub Decree recognises 29 government bodies mandated to produce official statistics in Cambodia, led by the NIS, which is itself supported by the country's Statistics Advisory Council (SAC) and its Statistics Coordination Committee. The SAC is chaired by the Minister of Planning, and its members are secretaries of state from critical line ministries.

Figure A.2. **Schematic of Cambodia's national statistical system and co-ordination mechanisms**

Source: NIS and UNESCAP (2019).

Conceptual base and classifications

The NIS uses the terms *establishment*, *entity* and *enterprise* interchangeably as the observation and statistical unit to compile official business statistics. The country's 2011 Economic Census of Establishments (EC11) compiles data on all three, but uses the *establishment* as its observation and statistical unit to compile the majority of data.

A definition of *establishment* has also not been applied consistently over time. The definition used in EC11 follow that of the UN definition, namely: "*the establishment can be defined as an economic unit that engages, under a single ownership or control - that is, under a single legal entity - in one, or predominantly one, kind of economic activity at a single physical location – for example, a mine, factory or workshop.*" It excludes ISIC Rev. 4 categories A, O, T and U from the count.[4] In its 2009 Nation-wide Establishment Listing (EL2009), however, the establishment is defined as "*an enterprise or part of enterprise which is*

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[4] Specifically: agriculture, forestry and fishing (A); public administration and defence; compulsory social security (O); activities of households as employers; undifferentiated goods-and services-producing activities of households for own use (T); and activities of extraterritorial organisations and bodies (U).

situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added." It recognised three kinds of establishment (fixed, movable, and mobile),[5] but only collected data on two (fixed, with the exclusion of street businesses, and movable). Both the EC11 and the EL2009 were conducted with financial and technical assistance support from a bilateral development partner, namely the Japan International Cooperation Agency (JICA) and Japanese ODA.

The NIS and other official data providers have also deployed different firm size class breakdowns, including whilst conducting survey and census exercises, which may reduce the comparability of historical data over time. The EC11, for instance, aggregated SMEs by size class during its primary data collection activities and defined these based on three numeric ranges linked to employment and total assets (excluding land) (see Table A.3.). The EL2009, meanwhile, designated five size classes linked to employment, which use slightly different thresholds to the ones observed in EC11 (see Table A.4).

Table A.3 **Classification of businesses by size class, used in EC11**

	Employment	Assets (excluding land)
Micro	1-10 people	≤ USD 50 000
Small	11-50 people	USD 50 000 – USD 250 000
Medium	51-100	USD 250 000 – USD 500 000

Table A.4 **Classification of businesses by size class, used in EL2009**

Number of people engaged
1 to two people
3 or more people
10 or more people
100 or more people
1000 or more people

The NIS uses the International Standard Industrial Classification of All Economic Activities (ISIC), Rev. 4 as its industry classification standard.

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[5] *Fixed* is defined as an establishment always running an economic activity in a fixed place and building; *Movable* is defined as an establishment always running an economic activity in a fixed place, but is able to relocate its activities easily; and *mobile* is defined as an establishment running an economic activity with no fixed location.

Sources for the business frame

The NIS uses data collected through censuses and surveys to compile its business frame. The main census used is the country's quinquennial economic census (latest, EC11). The main survey used is its inter-censual survey (latest, CEIS14), but it also refers to other surveys, such as its Survey of the Informal Sector and Non-Observed Economy, which it carries out every five years.

The Cambodia Inter-censual Economic Survey 2014 (CIES14) selected 10 000 establishments to be surveyed, which included all large and medium-sized enterprises operating in Cambodia (1 619 in total). The rest of the sample comprised small and micro establishments, which were selected using a stratified multistage sampling method. This method took enumeration units used in the EC11 as its primary sampling units, and then stratified these into three strata based on industrial characteristics. They then selected 30 EAs from each of Cambodia's six largest provinces, and 20 from Cambodia's remaining 18 provinces. In total, around 540 EAs were selected, accounting for around 3% of all the EAs in the country. Secondary sampling units were establishments, and a maximum of 30 establishments were selected from each EA.

Cambodia is also currently working on developing a Statistics Business Registers System (SBRs), with the help of a technical working group. The government is currently working on populating this with data from the EC11, the Cambodia Inter-censual Economic Survey 2014 (CIES14), and administrative data collected from line ministries, such as the Ministry of Commerce, the Ministry of Industry and Handicraft, and the General Department of Tax.

Production of official business statistics

The NIS compiles business data through its Economic Census (latest, 2011),[6] its Inter-censual Economic Survey (latest, 2014), and administrative data collected through line ministries. Data is collected from line ministries through data entry spreadsheets, which are shared in a variety of ways, including through soft copies exchanged through e-mail and/or downloaded from a website, through hard copies collected in person from designated ministries, and through in-person consultation meetings. This data is then inputted into Cambodia's National Data Repository (CAMInfo).

Dissemination of official business statistics

Official business statistics can be accessed via the NIS' website (http://www.nis.gov.kh/index.php/km/), and detailed reports and excel tables presenting the results of the country's censuses are made available free-of-charge. These data are not hosted on the NIS website, however, but on the website of Statistics

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[6] The Economic Census of Establishments 2011 (EC11) provides data on the number of establishments in Cambodia, their employment and value-added, and the number of new establishments born, i.e. the change in the number of establishments compared to previous years.

[Bureau Japan](#), with a URL provided on the NIS website to redirect users. The NIS is currently developing an open source platform to produce and disseminate statistical data, using the .Stat suite (CAMSTAT: http://camstat.nis.gov.kh/). However this platform only went live in 2019, and is currently only envisaged as a tool to facilitate SDG data reporting, and thus is currently only populated with statistics linked to the SDGs. Aside from dissemination via its website, the NIS also conducts dissemination workshops to present the findings of major new surveys.

Indonesia

Governance for the production of business statistics

Statistics Indonesia, known as BPS (or Badan Pusat Statistik, the Central Bureau of Statistics) is the main government body responsible for producing official business statistics in Indonesia. BPS is a non-ministerial agency under, and responsible to, the President of Indonesia. Its activities are governed by the Law of The Republic of Indonesia Number 16 of 1997 on Statistics, Government Regulation of The Republic of Indonesia Number 51 of 1999 on Implementation of Statistics, as well as the Presidential Regulation of the Republic of Indonesia Number 86 of 2007 on Statistics Indonesia.

Conceptual base and classifications

The *establishment* is the main observation and statistical unit used for compiling business statistics, though the government also compiles data on *enterprises* and *enterprise groups*, in line with its national accounts standard (SNA 2008), and all three units are profiled in Indonesia's statistical business register. These units are defined as follows:

- An **enterprise** is an institutional unit doing production activities (producing goods and / or services).
- An **establishment** is an enterprise or part of an enterprise which is located in one location and only doing single production activity; or when added value from primary production activity is the major added value
- An **enterprise group** consists of companies under the control of single owner, they form a group to achieve economic benefits (economies of scale, market control, and productivity) through more effective business management.

BPS uses an employment criterion to determine its firm breakdown by size class, and this is the definition used within its economic censuses, annual MSME survey (ISSME) and Manufacturing Industry Directory (see Table A.5). Other government agencies appear to utilise other metrics to determine firm size however,

and these do not include an employment classifier (as is the case with the definition used by the MCMSME (Table A.6), which has been set under National Law 20/2008 (Art. 6)).

Table A.5 **BPS Indonesia classification of businesses (*establishment*) size**

Category	Employment
Micro	1-4 people
Small	5-19 people
Medium	20-99 people
Large	More than 100 people

Table. A.6 **MCSME Indonesia classification of businesses (*enterprise*) size**

Category	Net assets (excl. land and commercial property)	Sales turnover
Micro	≤ IDR 50 million	≤ IDR 300 million
Small	> IDR 50 mn. – IDR 500 mn.	> IDR 300 mn. – IDR 2.5 bn.
Medium	> IDR 500 mn. – IDR 10 bn.	> IDR 2.5 bn. – IDR 50 bn.
Large	> IDR 10 bn.	> IDR 50 bn.

The main industry classification used by BPS Indonesia is the Indonesia Standard Industrial Classification (*Klasifikasi Baku Lapangan Usaha Indonesia* or "KBLI"). The KBLI is based on the ISIC, rev.4, and was first developed in 2009 but has gone through further refinements in 2015, 2017 and 2018. It covers 18 industries and disaggregates at the 5-digit level. BPS excludes agricultural businesses from its Economic Census, but own-account agricultural workers are included by the Ministry of Cooperatives and MSMEs of Indonesia (MCMSME), for instance, when compiling official MSME statistics.

Sources for the business frame

An economic census is conducted in Indonesia every ten years, with the 2016 census being the fourth. The census covers all non-agricultural[7] businesses (establishments) operating in Indonesia. Its scope covers all

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[7] The agricultural sector is covered by the Agricultural Census, which is one of the three censuses (along with the Population Census and the Economic Census) ordered under the Law of The Republic of Indonesia No 16 of 1997 on Statistics (article 8).

businesses operating in a permanent and non-permanent place (mobile and immobile), including those both with legal status and without.

To supplement its census, BPS regularly conducts surveys of businesses operating in Indonesia, with a focus on MSMEs. These include its annual Integrated Survey of Small-Scale and Micro Establishments (ISSME), which has been conducted since 1998, and the BPS *Survey of Micro and Small Enterprises* (Survei Industri Mikro dan Kecil, or IMK), which was conducted with the MCMSME in 2015.

BPS is also working on enhancing its statistical business register to improve the quality of business statistics (for instance, by reducing the incidence of double counting) as well as its data collection techniques (for instance, by providing a more detailed and accurate frame to determine survey samples). It faces a number of challenges in this exercise, however, for instance due to the fact that it must incorporate many types of institutional unit aside from businesses (such as households and government entities), in line with its national account standard (SNA2008), and that it must compile administrative data from a vast number of government bodies, which are each responsible for different registries and permits, whilst the country currently lacks a single unique business identification number.

Production of official business statistics

BPS Indonesia currently collects data on the number of establishments, employment generated, value-added and remuneration of individuals through its Economic Census and the annual Integrated Survey of Small-Scale & Micro Establishment (ISSME). All this data is then matched with data collected in the Manufacturing Industry Directory 2018 of BPS Indonesia to check for duplicates and then compared with establishment lists of other agencies such as Ministry of Industry, Ministry of Manpower, employment associations, regional government offices, etc. to avoid double counting. The remaining establishments, which are not duplicates, are checked to confirm whether their status remains active. BPS is currently working on upgrading its integrated business register so that it can become the sole frame and coordination tool for compiling business data in Indonesia.

Basic statistics are produced by BPS, whilst sectoral statistics are produced by their responsible government agency. Additional statistics, for instance on e-commerce, are produced by various non-governmental bodies, such as the Indonesian E-commerce Association (idEA). There are at least 40 government bodies with mandates linked to MSME development in Indonesia, and some of these bodies compile MSME statistics linked to their respective criteria and duties. Indonesia's official core MSME statistics are compiled by BPS and the MCMSME based on the results of the Economic Census (2016) and the Agriculture Census (2013).

Dissemination of official business statistics

BPS Indonesia publishes official business statistics through its official website https://www.bps.go.id/ and social media. It produces reports (including an annual Statistical Yearbook) that detail the basic structure and activity of business establishments in Indonesia, based on the findings of its censuses, surveys and the establishment lists of other agencies in Indonesia. It also produces infographics, which are published on social media platforms such as Instagram (@bps_statistics). In addition, it provides a smartphone application (Allstats BPS), and it produces regular press releases presenting the findings of new statistical studies and data gathering exercises.

Alongside dissemination by BPS, sectoral government agencies publish official business statistics. These agencies include Bank Indonesia, which compiles and publishes detailed Indonesia Financial System Statistics (IFSS), which include indicators of MSME credit, and the Ministry of Cooperatives and MSMEs, which publishes statistics on a range of MSME indicators, including their contribution to GDP, employment, investment and exports. This latter dataset seems to only be available in Bahasa Indonesia, however, and can only be accessed in pdf format.

Box A.1. **Insights from the OECD** *SME and Entrepreneurship Policy in Indonesia 2018*

- In 2014, according to data from the Ministry of Co-operatives and SMEs, which include the agricultural sector and follow a turnover and asset-based SME definition, there were 59.3 million enterprises in Indonesia, of which 98.8% were micro-enterprises, 1.2% were small enterprises and 0.1% were medium-sized enterprises.
- Data from the Ministry of Co-operatives and SMEs suggest an important consolidation process in the period 2006-2014 whereby the share of micro-enterprises in private-sector employment shrunk from 91% to 87%, while small enterprises increased their employment share from 3.5% to 5.7% and medium-sized enterprises from 3% to 4%.
- Despite the recent consolidation, internationally comparable data from the last Indonesian Economic Census (2016) and the OECD Structural and Demographic Business Statistics (SDBS) database, both of which follow an employment-based SME definition, show that Indonesian SMEs are still small by international comparison. Small companies employing less than 20 people accounted for 76.3% of Indonesian employment in 2016, more than any OECD country.
- Indonesian data on MSMEs are affected by a large informal economy: about 70% of national employment and more than 90% of total businesses enterprises are estimated to be informal. Widespread informality reduces the average size and performance of Indonesian SMEs, since informal enterprises need to operate under the radar of public authorities and are reluctant to engage in long-term investments.

Main recommendations on data development included:

- Improve data collection on SMEs by adopting and using more frequently an employment-based definition to allow better international comparison of the structure and performance of the SME sector between Indonesia and OECD countries.

Source: OECD (2018), *SME and Entrepreneurship Policy in Indonesia 2018*, OECD Studies on SMEs and Entrepreneurship, OECD Publishing, Paris. *https://doi.org/10.1787/9789264306264-en.*

Lao PDR

Governance for the production of business statistics

The Lao Statistics Bureau (LSB), under the Ministry of Planning and Investment, is the main statistical authority and coordination body for producing official business statistics in Lao PDR. At the same time, Lao PDR follows a decentralised model, with a number of line ministries and agencies producing business statistics linked to their organisational mandate. The production of statistics in Lao PDR is governed by the country's Statistics Law (Revision), which was updated in 2017. The update sought to bring the Law more in line with international standards and to strengthen the coordination mechanisms underpinning the country's national statistical system.

Figure A.3. **Schematic of Lao PDR's national statistical system and co-ordination mechanisms**
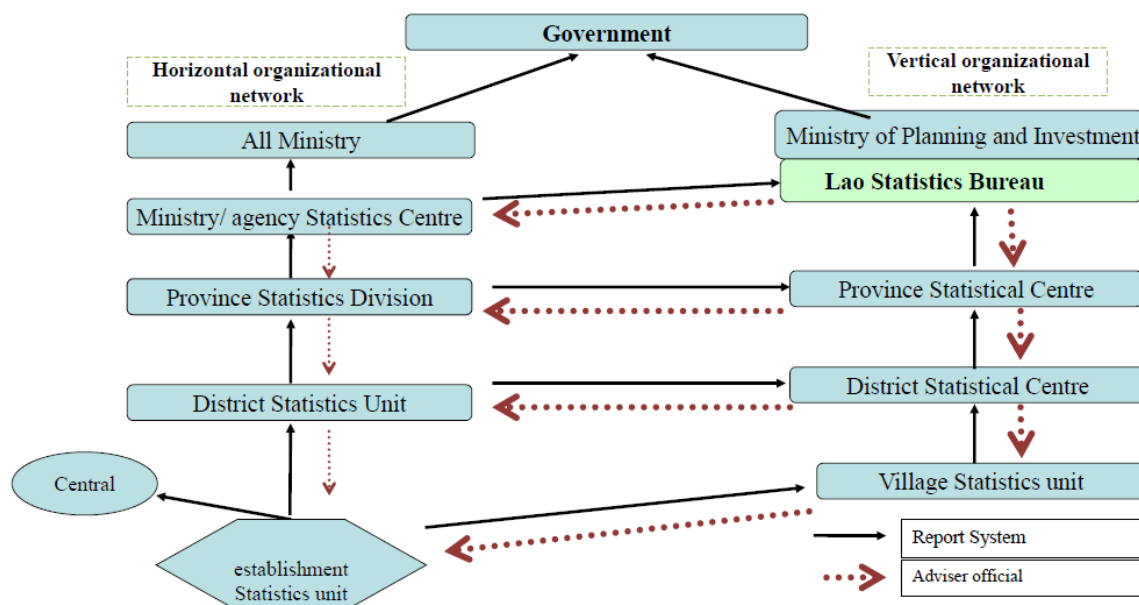
Conceptual base and classifications

The LSB uses the *enterprise* and the *establishment* interchangeably as observation and statistical units for compiling business statistics. The country's census observes the *establishment* as its observation and statistical unit, but various definitions used by the LSB to classify businesses by size class refer to the *enterprise*, as do its enterprise surveys. Its working definition, developed in 2000, refers to the *enterprise*, as does the legal definition it currently utilises (PM Decree No. 42/2004 on the Promotion and Development of SMEs, or "the SME Law"), which refers to both *enterprises* and *establishments*, and the Law on the Amendment of the Enterprise Law (2005). The observation criteria is also different (Figure A.4).

Figure A.4. **Definitions of the enterprise under different Laws of Lao PDR**

Prime Minister Decree No. 42/2004 "The SME Law"	Law on the Amendment of the Enterprise Law (2005)
"SMEs are independent establishments which are legally registered and are running their activities in accordance with the laws of Lao PDR."	*"An enterprise is a business organisation of individuals or legal entities which shall have a name, capital, an administration and management, an office, and which is registered as an enterprise under this law. An enterprise is also referred to as a "business unit."*

The LSB originally developed a size class breakdown in 2000, which classified size by number of employees, using the following ranges: *i)* small as 1–9 employees; *ii)* medium as 10–99 employees; and *iii)* large as 100 or more employees. Since 2004, however, it has followed the definition outlined under the SME Law, which also includes employment measures, namely:

i)   *Small enterprises* are those having an **annual average number of employees** not exceeding 19 persons or **total assets** not exceeding LAK two hundred and fifty million or an **annual turnover** not exceeding LAK four hundred million.

ii) *Medium enterprises* are those having an **annual average number of employees** not exceeding 99 persons or **total assets** not exceeding LAK 1 billion two hundred or **annual turnover** not exceeding LAK one billion.

As of January 2021, the official definition of firms by size, as reported to ASEAN, is described in Table A.7.

Table. A.7 **Lao PDR classification of enterprises by size**

Category	Sector	Employees	Net assets (mn. LAK)	Sales turnover (mn. LAK)
Micro	Manufacturing	1-5	≤ 100	≤ 400
	Wholesale and retail	1-5	≤ 150	≤ 400
	Services	1-5	≤ 200	≤ 400
Small	Manufacturing	6-50	> 150 – 1 000	> 400 – 3 000
	Wholesale and retail	6-50	> 100 – 1 000	> 400 – 2 000
	Services	6-50	> 200 – 1 500	> 400 – 1 500
Medium	Manufacturing	51-99	> 1 000 – 4 000	> 3 000 – 4 000
	Wholesale and retail	51-99	> 1 000 – 4 000	> 3 000 – 6 000
	Services	51-99	> 1 500 – 6 000	> 1 500 – 4 000

It uses the International Standard Industrial Classification of All Economic Activities (ISIC), Rev. 4 as its industry classification standard.

Sources for the business frame

The LSB uses census and survey data to compile its business frame. Two Economic Censuses have been carried out to date, one in 2006 and the last in 2013. The results from the 2013 census were made public at the end of 2015. Economic censuses are scheduled to take place every five years, but in practice they are carried out less frequently, due to the sizeable resource investment required. The 2006 census involved two questionnaires: one for profit-seeking business establishments (comprised of 15 main questions) and one for non-profit organisations (comprised of 14). It was carried out with financial and technical support

from the Lao-Swedish Statistics Programme, and was based on a sample frame that went beyond businesses registered in the country's company register. The 2013 census followed a similar approach to the 2006 census, but included more questions: 20 for profit-seeking business establishments and 15 for non-profit organisations.

To supplement its census, the LSB has sought to carry out annual and quarter enterprise surveys every year since 2003. In practice, however, the depth, coverage and frequency of these surveys is not entirely clear, and their results do not appear to be easily accessible online. The LSB has started to invest more in the use of administrative data, mainly from the Ministry of Industry and Commerce and the Ministry of Finance. It currently uses this data to produce its annual Statistics Yearbook, which provides data on business establishments operating in Lao PDR over the previous year. It also publishes a selection of this data via the National Enterprise Database, which can be found at www.ned.gov.la, and is partially available in both Lao and English.

Prior to conducting the economic census, the LSB conducted a series of small enterprise studies in order to improve calculations of the country's GDP. These studies were carried out since 1997.

Production of official business statistics

The LSB collects data on the number of economic units operating in Lao PDR using its census and surveys. It includes units in the non-profit sector, and excludes: *i)* household agricultural entities; *ii)* household business with no permanent location; *iii)* international organisations; *iv)* representative offices; *v)* military camps; *vi)* schools and hospitals located in military camps or police offices; and *vi)* other business entities that have been temporarily closed down for more than three months. It also calculates the contribution of different size classes to employment, based on data collected through its census and uploaded to Lao PDR's annual Statistical Yearbook by the country's Ministry of Labour and Welfare.

Lao PDR does not currently produce statistics on business demography. Its Enterprise Registration Office (ERO) holds data on the number of newly established enterprises and existing registered enterprises, but it does not possess data on the number of businesses that are active at a given moment in time.

A number of international bodies have suggested that Lao PDR may benefit from more activities to enhance its statistical infrastructure, including investment in its ICT systems, subscription to international statistical standards, for instance on data dissemination, and efforts to strengthen the availability and quality of metadata.

Lao PDR's development partners have provided some support to enhance statistics availability and statistical capacity in the country. This includes the *Deutsche Gesellschaft für Internationale*

Zusammenarbeit (GIZ), which undertook a number of enterprise surveys as part of its Human Resource Development for a Market Economy (HRDME) Project. These were conducted every two years, with the latest HRDME Enterprise Survey conducted in 2013. To compile the sample for the 2013 survey, GIZ used data on establishments within the tax registry, since the country's business registry was undergoing reforms at the time the survey was conducted. This may imply some differences in the sample population.

Dissemination of official business statistics

The LSB disseminates official business statistics via its official website (https://www.lsb.gov.la). These are mainly made available through its annual Statistical Yearbook, and are only provided in pdf format.

Malaysia

### *Governance for the production of business statistics*

The Department of Statistics Malaysia (DOSM) is the main statistical authority responsible for producing official business statistics. It is housed under the Prime Minister's Department, and it has offices in every state of Malaysia. Its activities are governed by the country's Statistics Act 1965 (revised in 1989), which outlines the roles and responsibilities of statistical authorities and agents in Malaysia, including around confidentiality of information rules. It also outlines financial penalties in the event of stipulated violations.

Conceptual base and classifications

DOSM uses the *establishment* as its observation and statistical unit for compiling business statistics. It defines an establishment as "*an enterprise or part of an enterprise that is situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.*" It counts units that are registered with SSM (including the Registrar of Business (ROB)), the Registrar of Societies (ROS) and various professional bodies.

The DOSM uses the firm size class breakdown elaborated by the National Entrepreneur and SME Development Council (NESDC) and SMECorp. Malaysia (see Figure A.5). This provides both employment and turnover metrics to classify firm size, with different thresholds for manufacturing versus services and other sectors. It only counts units that have met the registration parameters described above.

Figure A.5. **Malaysian classification of enterprises by size**
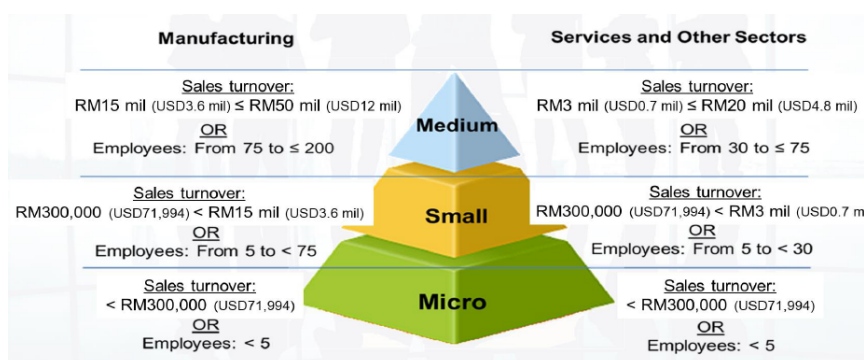
Finally, the DOSM uses the Malaysia Standard Industrial Classification (MSIC) 2008 version 1.0 as its industry classifier, which is based on ISIC Rev. 4.

Sources for the business frame

The DOSM uses the Malaysia Statistical Business Register (MSBR), censuses, surveys and administrative data to compile its business frame. The MSBR is the foundational resource, and it provides the backbone for conducting and compiling the country's economic censuses and surveys. It provides an up-to-date calculation of the total number of active businesses operating in Malaysia across various sectors. It is populated using various resources, including the country's administrative business register managed by the Companies Commission of Malaysia, or Suruhanjaya Syarikat Malaysia (SSM). This online database compiles data provided by businesses that are registered with the authority.

The DOSM also carries out a regular economic census. Its first Economic Census was carried out in 2003 and published in 2005, entitled the *Baseline Census of Establishments and Enterprises 2005*. The census is now carried out every five years, with the most recent carried out in 2015 and officially released in 2017 (Economic Census 2016). The Economic Census 2016 used a stratified sampling frame to identify 700 000 registered entrepreneurs, companies and businesses operating in the agricultural, mining and quarrying, manufacturing, construction, and services sectors (excluding distributive trade). These units were sent a questionnaire via e-mail, which they were required to return within a month. If this questionnaire was not received or was incomplete, officers from the DOSM visited the identified respondents. Alongside the Economic Census, the DOSM also uses other censuses to compile official business statistics, such as the Census of Distributive Trade, which was last conducted in 2013 and published in 2014, and provides data by state, sector and firm size, amongst other metrics.

In addition to the census, the DOSM conducts and compiles regular surveys of business activity. This includes the Annual Economic Survey, a quarterly Business Tendency Survey and a monthly and annual

Manufacturing Industries Survey. The latter covers 259 industries in the manufacturing sector (based on the MSIC 2008) and was last published in 2015, for reference year 2014.

Finally, DOSM uses administrative data and other forms of big data to populate its business frame. To integrate administrative data, the DOSM considers three characteristics: the characteristics of the source, data dimension, and data quality. To classify the characteristic of the source, it uses two categories: data coming from a *central* source (i.e. a federal government agency), and data coming from a *non-central* (i.e. agencies operating at the state level) source. Some examples of "central" providers of administrative data include the Companies Commission of Malaysia (SSM), the Employees Provident Fund (EPF), and SME Corp. Malaysia. DOSM has also started to apply geospatial data as a source to update its statistical register. Partners in this exercise include Telekom Malaysia, which is working with DOSM to build and use a geospatial portal known as TM Smart Map.

Production of official business statistics
DOSM has undertaken considerable efforts to modernise and enhance its systems for producing official statistics. In order to strengthen the quality of the statistics production process, it now deploys a number of internationally endorsed frameworks, including the Generic Statistical Information Model (GSIM), the Common Statistical Production Architecture (CSPA) system, the Statistical Data and Metadata eXchange (SDMX) system, and the Data Documentation Initiative (DDI)[8] standard.

To compute structural business statistics, DOSM uses census and survey data, which is collated following consultation with various line ministries and agencies including the Malaysian Investment Development Authority (MIDA), the Ministry of Agriculture and Agro-based Industry (MOA), the Construction Industry Development Board of Malaysia (CIDB), the Minerals and Geosciences Department of Malaysia (JMG), and the Department of Electricity and Gas Supply. To compute business demography statistics, the DOSM utilises the Malaysia Statistical Business Register (MSBR), which details establishment births, deaths, links between units, unit contacts and classifications, and allows for the removal of duplicates. The DOSM is also making increasing use of big data, to compile new statistical indicators such as Trade by Enterprise Characteristic (TEC), Real Time Business Status (RTBS) and Price Intelligence (PI).

Dissemination of official business statistics
DOSM publishes the results of its Economic Census, annual Economic Surveys, and quarterly Business Tendency Surveys on its website (www.dosm.gov.my), and these statistics are updated regularly and made freely open to the public. It has developed a number of mobile applications, including MyLocal Stats,

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[8] Which is the international standard for surveys and the interpretation of other observation data.

which allows users to access the latest socioeconomic statistics linked to different regions of Malaysia, compiled through the latest Economic Census. It also provides an enterprise data warehouse, known as the *Statistics Data Warehouse* (StatsDW), which can be deployed by users to access raw data, compile tables and graphs, and export these tables in different file formats. The warehouse includes historical data from as early as 1974, but it is still a working project, so the DOSM is still populating the resource with additional data (including historical data). Finally, DOSM also disseminates new data and statistics via seminars, press releases and social media – including Facebook, Twitter, Instagram and YouTube (@StatsMalaysia). Aside from being used as a standard dissemination platform, DOSM's seminars and briefing sessions provide a forum for different users to flag any potential inaccuracies in its calculations.

DOSM has made considerable efforts to make its statistics more accessible, in a relatively short space of time. Prior to 2010, its statistical publications were sold to users as hardcopy publication as well as CDROMS. Since then, however, the DOSM has started to provide its publications as softcopies that can be downloaded for free. Since 2014, it has also started to provide statistical tables on its website, which can be customised by users to meet their requirements.

Alongside DOSM, SMECorp. Malaysia disseminates data and statistics pertaining to MSMEs and entrepreneurs. These are made available via its website (www.smecorp.gov.my), including in the format of Annual Reports, as well as through its various social media accounts – including Facebook and YouTube (@SME Corp.Malaysia), as well as Twitter (@smecorp) and Instagram (@smecorpmalaysia). In addition, it publishes press releases and holds seminars to disseminate the findings of new MSME data and statistics.

Myanmar

Governance for the production of business statistics

The Central Statistical Organization (CSO), under the Ministry of Planning and Finance, is the main government body responsible for compiling business statistics in Myanmar. It is in charge of conducting surveys and censuses to meet the economic and planning needs of the country. At the same time, a number of ministries have set up their own planning and statistics departments, and the CSO describes Myanmar's statistical system as "decentralised." The production of statistics in Myanmar is governed by the Statistical Law (Pyidaungsu Hluttaw Law No.1/2018), which was enacted in January 2018 and entered into force in January 2019. The Law lays out the roles and responsibilities of different actors operating within the national statistical system, including around confidentiality and transparency requirements. It also outlines punishments and penalties in the event of stipulated violations.

Conceptual base and classifications

The CSO uses the *enterprise* as its observation and statistical unit for compiling business statistics. There does not appear to be a clear and commonly recognised definition of the *enterprise* though, which is recognised across different government agencies. The new Law on the Development of Small and Medium Businesses (Pyidaungsu Hluttaw Law No. 23/2015, or the "SME Development Law"), also includes a definition of enterprise size by various metrics, but does not include a definition of the unit observed.

The CSO uses the firm size class breakdown outlined under the SME Development Law (see Table A.8). This Law defined businesses by size class based on three metrics, including employment, which is, for instance, the classifier used in the country's recent *Micro, Small and Medium Enterprises Survey*. It defines different ranges by sector (six in total). However, it provides no metrics to define micro-sized businesses.

Table A.8. **Legal definition of SMEs according to the 2015 SME Development Law**

Classification	No. of employees	Fixed assets (MMK mn.)	Turnover (MMK mn.)
SMALL			
Manufacturing	Up to 50	Up to 500	
Labour-intensive manufacturing	Up to 300	Up to 500	
Wholesale	Up to 30		Up to 100
Retail	Up to 30		Up to 50
Service	Up to 30		Up to 100
Other	Up to 30		Up to 50
MEDIUM			
Manufacturing	51–300	500–1 000	
Labour-intensive manufacturing	301–600	500–1 000	
Wholesale	31–60		100–300
Retail	31–60		50–100
Service	31–100		100–200
Other	31–60		50–100

Source: Descriptive Report: Myanmar Micro, Small, and Medium Enterprise Survey 2017, based on the 2015 SME Development Law, Government of Myanmar.

The CSO uses the Myanmar Standard Industrial Classification (MSIC) to disaggregate businesses by industry. This standard was developed by the CSO in 2018, and it is based on ISIC Rev.4.

Sources for the business frame

The CSO uses censuses, surveys and, increasingly, administrative data to populate its business frame. It has been working on developing a statistical business register since 2017, previously in partnership with

the UNDP and currently with UN ESCAP and the ADB. It has set up a team of six staff members tasked with building the register, and it works in collaboration with CSO regional offices to collect data from across the country. To date (September 2019), it has requested licensed business data from 330 townships under 14 states and regions of Myanmar, as well as one union territory. It is also working to collect administrative data from different government bodies, including:

1) Directorate of Investment and Company Administration (DICA): registered companies
2) City Development Committees and Township Development Affairs Organisations: establishments applying for license at municipalities
3) Directorate of Industrial Supervision and Inspection (DISI): registered industrial establishments
4) Internal Revenue Department (IRD): establishments registered for taxation purposes
5) Other agencies (for instance, the Ministry of Health): establishments applying for licenses

To date, the CSO has primarily compiled business statistics based on surveys, and, increasingly, administrative data. Its main surveys are its Private Industrial Zones Survey, its Business Survey and its Micro, Small and Medium Enterprises Survey (2017 and 2020). The Private Industrial Survey was first conducted in 1954, but this and similar exercises faced a relatively low response rate. In 2003 and 2006, the CSO used a complete enumeration method to collect survey data from all the industrial zones in Myanmar, and used random sampling to collect data from 10% of registered businesses operating outside of industrial zones. In 2009, 2010, 2011, 2012, 2014 and 2015, the CSO collected survey data from all industrial zones in Myanmar, using the complete enumeration method. In 2015 it also conducted a Myanmar Business Survey. This used a stratified random sampling method to collect economic statistics on the private sector of Myanmar, in order to address the limitation of business statistics and assist the calculation of national accounts. It sampled 14 331 businesses operating in Myanmar, from manufacturing, trade and service sectors. It collected data on the following characteristics: ownership of assets, business registration, number of workers employed, income, expenditures, use of raw materials, expenditure for inputs, other costs, balances, and fixed assets in the manufacturing, construction sector and services sectors.

Since 2017, it has been conducting Micro, Small and Medium Enterprises Surveys, in partnership with the United Nations University World Institute for Development Economics Research (UNU-WIDER), the University of Copenhagen, and with financial support from the Government of Denmark. This project plans to complete two quantitative surveys (in 2017 and 2019) and two qualitative surveys (in 2018 and 2020). The first quantitative survey, conducted in 2017 for reference period 2016, sampled 2 496 MSMEs operating in MSIC rev 4 divisions from 10-33. These businesses were selected using a two-stage stratified random sampling method. It collected data on a variety of questions including: business practices; owner

characteristics; production and technology characteristics; sales and cost structure; access to finance; taxes; employment; networks; and perceived economic constraints and opportunities.

Production of official business statistics

The CSO is incrementally compiling more data on economic units operating in the country, often in collaboration with development assistance partners. It is also working to strengthen co-ordination and collaboration with other government bodies, in order to make use of their administrative data, and thus to compile better quality and more structural business statistics. Registration and licensing information, for instance, is spread across the Directorate of Industrial Supervision and Inspection (DISI) and the SME Development Department of Myanmar's Ministry of Industry, the Small Scale Industrial Department (SSID) of Myanmar's Ministry of Agriculture, Livestock and Irrigation, the Directorate of Investment and Company Administration (DICA), and the country's municipal lists. The relevant authority for business registration is linked to the economic unit's sector, size, region of operation and ownership. Together, these authorities supply the CSO with data on the activity of registered economic units by industry and activity sector.

Myanmar does not currently produce statistics on business demography. This is because the country currently lacks a single statistical business register, and registration, licensing and permitting, as well as data collection more broadly, remains highly decentralised and is spread across many different government bodies. The CSO is incrementally working to encourage more compliance with standards at the local level – the country's municipal lists are increasingly starting to use the MSIC, for instance.

As with Lao PDR, a number of international bodies have suggested that Myanmar may benefit from more activities to enhance its statistical infrastructure, including investment in its ICT systems, subscription to international statistical standards, for instance on data dissemination, and efforts to strengthen the availability and quality of metadata.

Dissemination of official business statistics

The CSO publishes data on business establishments in Myanmar via its official website https://www.csostat.gov.mm/. It also publishes an Annual Statistical Yearbook, which includes official business statistics, through the MOPF Myanmar Statistical Informational Service (MMSIS). The MMSIS is a national database of business statistics developed by CSO, with support from the Korea International Cooperation Agency (KOICA).

The Philippines

Governance for the production of business statistics

The Philippine Statistics Authority (PSA) is the main government body responsible for compiling business statistics in the Philippines. It is an agency attached to the National Economic and Development Authority (NEDA) of the Philippines for purposes of policy coordination. It comprises a governing Board, offices on sectoral statistics, censuses and technical coordination and civil registration, as well as the Philippine registry office, central support and field statistical services. It is governed by the Philippine Statistical Act of 2013 (Republic Act No. 10625), which includes a clause (Section 26) on the confidentiality of information. In addition, the conduct of surveys and censuses are regulated by the Statistical Survey Review and Clearance System (SSRCS) of the PSA.

Conceptual base and classifications

The *establishment* is used by the Philippine Statistics Authority (PSA) as the observation and statistical unit for compiling business statistics, which is defined as those units that are:

- Under single ownership or control, i.e. under a single legal entity
- Engaged in one or predominantly one kind of economic activity
- At a single fixed physical location

In addition, the unit must be classified as formal, and typify one of five economic[9] and seven legal[10] forms.

The PSA uses two definitions to classify businesses by firm size for statistical purposes. The first is the definition outlined within Section 3 of the Magna Carta for Micro, Small and Medium Enterprises (MSMEs), which uses an asset value classifier (see Table A.9). The second, which is the definition most commonly used by the PSA, determines firm size by number of employees, and was elaborated by the National Micro, Small and Medium Enterprise Development Council of the Philippines (MSMED Council) (see Table A.10).

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[9] Namely: *i)* single establishment; *ii)* branch; *iii)* establishment and main office; *iv)* main office; or *v)* ancillary.

[10] Namely: *i)* single proprietorship; *ii)* partnership; *iii)* government corporation; *iv)* stock corporation; *v)* non-stock, non-profit corporation; *vi)* co-operative; *vii) other legal form*.

Table A.9. **Magna Carta for MSMEs' classification of business size**

Size classification	Total asset value[11]
Micro	Up to PHP 3 000 000
Small	PHP 3 000 001 – PHP 15 000 000
Medium	PHP 15 000 001 – PHP 100 000 000

Table A.10. **MSMED Council classification of business size**

Size classification	Total asset value
Micro	1 – 9
Small	10 – 99
Medium	100 – 199

At the same time, the PSA has developed ten firm size class breakdowns for statistical purposes, using an employment measure, which match with the MSMED Council definition. These are: *i)* 1-4; *ii)* 5-9; *iii)* 10-19; *iv)* 20-49; *v)* 50-99; *vi)* 100-199; *vii)* 200-499; *viii)* 500-999; *ix)* 1000-1999; *x)* 2000 and over.

In addition to its firm size classification, the PSA has developed a standard classification of economic activity by industry (the 2009 Philippine Standard Industrial Classification (PSIC), based on ISIC Rev.4), as well as by geographic location (the Philippine Standard Geographical Code, or PSGC). The PSIC outlines 18 major industrial sectors.

Sources for the business frame

To populate its business frame, the PSA predominantly uses available secondary sources like the list of business units from different government agencies. It also uses the information provided by sample establishments in their reports to various establishment-based surveys and census conducted by PSA. The PSA also regularly conducts the Updating of the List of Establishments (ULE) to: capture new establishments; update the characteristics of establishments in the register; and, tag those which are already closed or stopped operation.

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[11] This calculation includes current loans, but not the land on which the businesses operation is situated.

The country's economic census, the CPBI, is conducted every five years, with the latest iteration carried out in 2019 (for reference year 2018) and covering 65 000 establishments across the territory of the Philippines. It seeks to compile information on employment, revenue, expense, capital expenditures and total assets of establishments operating in the Philippines by industry, region and firm size. This information will then be used to produce indicators on value added, labour productivity, profitability, gender-disaggregated employment statistics on employment, and statistics on the research and development (R&D) expenditures of establishments. It will also be used to check and enhance the quality of information included in the country's Statistical Business Register (SBR).

In addition to the census, the PSA conducts an Annual Survey of Philippine Business and Industry (ASPBI) as well as a Quarterly Survey of Philippine Business and Industry. The ASPBI covers most sectors of the PSIC, excluding the following activities: *i)* public administration and defence; compulsory social security; *ii)* activities of households as employers; undifferentiated goods and services producing activities of households for own use; *iii)* activities of extra-territorial organisations and bodies. It uses a stratified systematic sampling technique, based on the country's 17 administrative regions and the 5-digit level PSIC. The ASPBI questionnaire covers the following data items:

- Economic activity of the business
- The year that it started operations
- The type of legal organisation
- The type of economic organisation
- Capital participation
- Employment by sex and R&D personnel
- Income
- Subsidies received
- Expense including compensation
- Sales from e-commerce transactions
- Capital expenditures for all fixed (tangible) and intangible assets
- Book value of fixed and intangible asset capital utilisation
- Capital participation
- Inventories

It also makes some use of administrative data. The System of Designated Statistics (SDS), a mechanism that identifies critical statistics for social and economic planning and analysis, approves the use of 19 administrative data systems and five derived data systems in order to compile official statistics. The

Philippine Statistical Act of 2013 also permits the PSA Board to form and dissolve Inter-Agency Committees (IACs) on a needs basis. As of March 2019, there were 25 such committees. Common tasks of these committees include exploring how administrative data compiled by different agencies can be used for statistical purposes, and agreeing upon the use of common definitions, concepts and classifications.

Production of official business statistics

The PSA compiles structural business statistics based on the CPBI, the list of establishments, the ASPBI, and administrative data. These statistics include indicators of the number of establishments by size, as well as the sectoral distribution and contribution to employment and value-added of MSMEs.

In terms of data available for business demography, the Department of Trade and Industry (DTI) holds the business register, which records the number of births and deaths of establishments, and the PSA uses this data alongside data collected through its annual and quarterly surveys of Philippine Business and Industry.

Dissemination of official business statistics

The PSA publishes official business statistics on its official website (https://psa.gov.ph/), and these are made freely available. Census and survey data is provided in pdf format, and establishment statistics are provided through the PSA's annual Statistical Yearbook, which is downloadable in .xlxs and .csv format. Via the PSA's OpenSTAT platform, users can also tabulate and download sectoral statistics customised to meet their needs, and this includes a filter by size class. The PSA announces the availability and findings of new statistics via press releases, primers and at forums. Finally, it produces infographics and other visual media, which are published through a variety of platforms including the PSA's Facebook page and its Twitter account (@PSAgovph).

Alongside the PSA, official business statistics are also disseminated by the DTI. It publishes these statistics on its website (https://www.dti.gov.ph/), and via social media accounts such as Instagram, Facebook and Twitter (@DtiPhilippines). In addition, the central government is compiling an open data platform, Open Data Philippines, which will include a portal to access data on business and entrepreneurship in the country.

Singapore

Governance for the production of business statistics

The Singapore Department of Statistics (DOS), under the Ministry of Trade and Industry, is responsible for compiling official business statistics in Singapore. The primary piece of legislation governing its activities is the country's Statistics Act, which was originally enacted in 1973 and revised in 2012. It includes confidentiality of information safeguards and outlines the authority and responsibility of the Chief

Statistician as well as the directors of gazetted Research and Statistics Units (RSUs) housed within different line ministries and agencies.

Under this Act, the duties of the Chief Statistician include:

- Advising public agencies in the gathering, compiling, analysis and utilisation of statistics
- Developing national statistical standards and standardising definitions, classifications, terms, procedures and concepts for use in statistical activities
- Promoting the observance of approved national statistical standards by public agencies.

These activities strengthen co-ordination between different actors within Singapore's statistical system. In addition, the DOS regularly liaises with public agencies to request for their survey and administrative data, and this is done in accordance with provisions set out under the country's Statistics Act.

Conceptual base and classifications

To compile official business statistics on MSMEs, the DOS uses the *enterprise* as its observation and statistical unit. An *enterprise* can be an incorporated or registered entity (such as a company, sole-proprietorship, partnership, association or society), and it is defined as:

- A legal unit that can own goods or assets, incur liabilities, enter into contracts and maintain a record of its own transactions (e.g. financial accounts)
- May engage in one or more economic activities

The DOS uses the firm size class breakdown elaborated by Enterprise Singapore, and compiles MSME statistics on this basis. This definition classifies MSMEs as those enterprises with operating receipts of not more than SGD 100 million, or employment that does not exceed more than 200 workers (Table A.11). Data by firm size, i.e., micro, small and medium enterprises, are available for further analyses.

Table A.11. **Singapore's MSME definition**

MSMEs	Sector (All)	
	Sales Turnover	<= SGD 100 million
	Employment	<= 200

Sources for the business frame

DOS uses survey and administrative data to compile official business statistics on MSMEs. Survey data is primarily collected through the Annual Survey of Services (conducted by the DOS) and the Census of Manufacturing Activity (conducted by the Economic Development Board). Administrative data are sourced from agencies such as Accounting and Corporate Regulatory Authority and the Ministry of Manpower (MOM). The acquisition of administrative and survey data are carried out under the country's Statistics Act.

Production of official business statistics

DOS produces structural business statistics on MSMEs such as the number of enterprises by size class (MSME/non-MSME), as well as MSME contribution to value-added and employment. The former two statistical indicators are compiled mainly using survey and administrative data collected from the ACRA and IRAS, whilst the latter is mainly compiled using administrative data from the MOM and the CPFB.

Dissemination of official business statistics

DOS disseminates official business statistics via SingStat Website (www.singstat.gov.sg), SingStat Table Builder (www.tablebuilder.singstat.gov.sg), SingStat Mobile Application and SingStat Express. Users may download softcopies of statistical publications via the SingStat Website for free. Users may also access free-of-charge historical data series, build customised tables and download them in different file formats via the SingStat Table Builder. APIs are also available for ease of data retrieval. Personalised assistance is available through the DOS's enquiry services. Data on MSME and non-MSME are disseminated via SingStat Website in the form of infographics and are also available on SingStat Table Builder.

Thailand

Governance for the production of business statistics

The National Statistical Office of Thailand (TNSO) is the main statistical authority in Thailand. It is an agency under the Ministry of Digital Economy and Society (MDES), formerly known as the Ministry of Information and Communication Technology (MICT). Statistical activities in Thailand are governed by the Statistics Act B.E. 2550 (2007), which outlines the roles and responsibilities of the TNSO as well as various line agencies. Under Section 6 of the Act, it suggested the creation of a masterplan to guide the development of the country's statistical system. The TNSO subsequently produced the 'Thailand Statistical System Master Plan.' The Master Plan is now in its second iteration, and covers the period 2016-2021.

Conceptual base and classifications

The TNSO uses the *establishment* as its observation and statistical unit for compiling business statistics. It defines an establishment as "*an economic unit, which engages under the ownership or control of a single legal entity, in a kind of economic activity at a fixed location.*"

It recognises the firm size definition established by OSMEP (2000, and revised version upcoming), but it also uses further firm size class breakdowns, that generally fit with the definition. For the purpose of the Business and Industrial Census, for instance, it identified six size classes by number of persons engaged, specifically: *i)* 1 – 15; *ii)* 16 – 25; *iii)* 26 – 30; *iv)* 31 – 50; *v)* 51 – 200; and *vi)* > 200.

Government bodies in Thailand generally classify firms in accordance with the country's official SME definition, which has been revised recently. The revised definition identifies a new size class, the *micro* firm, and aggregates the four sectors previously defined into two. Finally, it replaces "fixed assets" with "income," and defines new ranges (Table A.12).

Table A.12. **Thailand's SME definition, OSMEP**

Size class	Metric	Manufacturing	Services and merchandising
Micro	Income	≤ 1.8 mn. THB	≤ 1.8 mn. THB
	Employees	1–5	1–5
Small	Income	> 1.8 mn. – 100 mn. THB	> 1.8 mn. – 50 mn. THB
	Employees	6–50	6–30
Medium	Income	> 100 mn. – 500 mn. THB	> 50 mn. – 300 mn. THB
	Employees	51–200	31–100

The TNSO uses the Thailand Standard Industrial Classification (TSIC) as its industry classifier, which is derived from International Standard Industrial Classification of All Economic Activities (ISIC) Rev. 4.

Sources for the business frame

The TNSO compiles business statistics based on census, survey and administrative data. The two censuses used are the Industrial Census, which is published every five years (latest, 2017), and the Business and Industrial Census: Manufacturing, Trade and Services (latest, 2012). The Industrial Census compiles data on the evolution of SMEs' contribution to employment and value-added, whilst the Business and Industrial Census collates information on establishments by the size of establishment and their category of industry.

The TNSO uses a number of surveys to collect data on business and industry. These include*: i)* a quarterly retail survey; *ii)* a business, trade and services survey; *iii)* a logistics capability of trade survey; *iv)* a labour

demand of establishment private pay survey; *v)* a commodity flow survey; *vi)* a manufacturing industry survey; *vii)* a household industry survey; and *viii)* a small manufacturing survey. It also produces an annual Informal Employment Survey, which provides data on formal and informal employment within industry, as well as the wages and salaries of these employees. Finally, it produces an annual Labour Force Survey, which helps to complete its calculations of the contribution of SMEs to employment.

Finally, the TNSO uses administrative data, mainly from the Ministry of Industry and the Ministry of Commerce. The Ministry of Commerce, for instance, through its Department of Business Development, holds the country's Business Register, and it provides data from the register to the NSO and the Office of SME Promotion (OSMEP).

Production of official business statistics

The TNSO compiles structural business statistics based on information collected through a variety of sources, including the Industrial Census and the Business and Industrial Census (number of establishments, share of employment, share of value-added), as well as the Informal Employment Survey and the Labour Force Survey. It also compiles some statistics on business demography, based on information collected from the country's Business Register, through the DBD.

Alongside the TNSO, OSMEP also produces statistics on MSMEs in Thailand. It compiles these based on data from the aforementioned censuses, data on the yearly establishment and dissolution of businesses as well as financial data from the DBD, and employment data provided by the Social Security Office. It then uses this information to classify all business data by size and sector, and then updates its MSME statistics to provide information on the number of MSMEs, their contribution to employment, and their contribution to GDP as well as its growth.

Dissemination of official business statistics

The TNSO disseminates official business statistics through its website (http://web.nso.go.th/), which provides open access to the findings of its censuses and surveys, as well as e-books and bulletins.

In addition, OSMEP regularly disseminates statistics and information on the structure and dynamics of SMEs operating in the country, through its White Paper on SMEs as well as via its website (https://www.sme.go.th).

Viet Nam

Governance for the production of business statistics

The General Statistical Office of Viet Nam (GSO) is the main statistical authority in Viet Nam. It is housed under the Ministry of Planning and Investment (MPI), and is tasked with advising the Minister on the management of the country's statistical system as well as on conducting statistical activities. It is also responsible for providing statistical information for planning and investment purposes. Statistical activities in Viet Nam are governed under the country's Statistical Law (No.89/2015/QH13). This law outlines the roles and responsibilities of different actors within Viet Nam's statistical system, as well as the rules governing data collection, including around confidentiality requirements.

Conceptual base and classifications

The GSO uses the *enterprise* as its observation and statistical unit for compiling business statistics.

The GSO uses a firm size class breakdown that corresponds to thresholds outlined under the Law on Facilitating the SME Sector (No. 04/2017/QH14), otherwise known as "the SME Supporting Law." This definition outlines three firm size classes (micro, small and medium-sized), based on the number of employees as of 31 December each year and which satisfying one of the following criteria:

(i)   total capital should not exceed VND 100 billion; or
(ii)   total turnover of the preceding year should not exceed VND 300 billion.

Table A.13 **Details of SME definition (Decree No.39/NĐCP**

Sector	Micro enterprise			Small enterprise			Medium enterprise		
	Employees	Total capital or revenue (billion VND)		Employees	Total capital or revenue (billion VND)		Employees	Total capital or revenue (billion VND)	
		Total capital	Revenue		Total capital	Revenue		Total capital	Revenue
Agriculture, forestry and fishing; Industry and construction	≤ 10	≤ 3	≤ 3	≤ 100	≤ 20	≤ 50	≤ 200	≤ 100	≤ 300
Trade and services	≤ 10	≤ 3	≤ 10	≤ 50	≤ 50	≤ 100	≤ 100	≤ 100	≤ 300

The GSO uses the Vietnam Standard Industrial Classification (VISIC) as its industry classifier, which is based on the International Standard Industrial Classification of All Economic Activities (ISIC), Rev.4.

Sources for the business frame

The GSO conducts an Economic Census (which includes an enterprise census) every 5 years.[12] To supplement this census, it conducts an annual enterprise survey, which seeks to compile information on the number of enterprises operating in Viet Nam, as well as their workers' income, and their assets, capital and turnover. It compiles this information by type of ownership, sector or industry (based on VISIC 2018), firm size and province.

In addition, it uses administrative data, mainly from the General Department of Taxation (GDT), the Agency for Business Registration (ABR MPI), the Agency for Enterprise Development (AED MPI), and the National Credit Information Centre of Vietnam of the State Bank of Vietnam (SBV), which is the country's public credit registry. Finally, it compiles data from professional business associations to produce official business statistics.

Production of official business statistics

The GSO compiles official business statistics based on censuses, surveys and administrative data. Administrative data is compiled by receiving copies of annual, quarterly and monthly reports that are prepared by relevant agencies for the government or the Prime Minister of Viet Nam.

The official purpose of Viet Nam's annual enterprise survey is to:

- Collect information for administrative purposes, policymaking, socio-economic development planning, national and local enterprise development, investors and enterprises
- Aggregate and compile indicators for the National Statistical Indicator System
- Assess the situation of supporting industries in the manufacturing industry (the research topic of 2019);
- Update the database of enterprises annually, set up a sample frame for annual sampling surveys; regular investigations and other statistical requirements.
- Compile the "Annual White Book on Vietnam Enterprise"

The production of official business statistics could be strengthened in Viet Nam by investing further in ICT systems, aligning more government bodies to similar standards and classifications (for instance the GSO and the ABR/GDT), updating websites and other dissemination platforms in a more timely fashion, and strengthening coordination between the GSO and the Social Insurance Agency (such a mechanism

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[12] Namely, in 1995, 2002, 2007, 2012 and 2017.

does not currently exist, rendering it difficult for the GSO to compile information of MSME employees that participate in social insurance).

Dissemination of official business statistics

The GSO publishes the results of its enterprise census and surveys via its website https://www.gso.gov.vn. These provide information on registered economic units operating in Viet Nam by ownership type, industry type, contribution to employment, income of employees, as well as other financial information.

Annex B. Key indicators of business structure and demography

The OECD currently compiles two main sets of statistics to describe business structure and activity, based on data provided by its member countries: namely: *i)* structural business statistics; and *ii)* business demography statistics. It maintains a database, the *Structural and Demographic Business Statistics* (SDBS) database, to provide quantitative data on the business population of OECD economies and support analysis by policymakers and researchers alike. Alongside a broad range of indicators including employment, turnover, value-added, production, operating surplus, labour costs and investment, the SDBS database provides breakdowns of the data by industrial sector and size classes of businesses.

Enterprise structure: Structural business statistics

Structural business statistics (SBS) describe the characteristics and performance of businesses, notably by activity sector and size class. They describe the contribution that different types of business make to the creation of value and employment in an economy, and ultimately to productivity growth. The main SBS indicators that depict the MSME sector are set out in Table A.14.

Table A.14 **Key structural business statistics to describe the SME sector**

Variable	Main specifications[1]
1. Number of active businesses: Count of the businesses active during at least a part of the reference period.	Main statistical unit (establishment, enterprise). Scope of coverage in the economy, e.g. relevant economic sectors, minimum size of businesses in terms of employment or turnover. Breakdowns by: - Business size, preferably as defined by employment in the business - Sector of activity
Data sources: Economic censuses, business surveys, company tax reports, annual reports, administrative data See: OECD Structural and Demographic Business Statistics 2006, http://www.oecd.org/sdd/business-stats/36919795.pdf	
2. Employment in businesses: Employment is measured by the number of persons who worked in or for the concerned unit during the reference year	Main statistical unit, scope of coverage and breakdowns as for variable 1. Measures of employment: - Employees - Persons employed (including employees and self-employed)
Data sources: Employment data sources, economic censuses, business surveys, company tax reports, annual reports, administrative data See: OECD Structural and Demographic Business Statistics 2006 http://www.oecd.org/sdd/business-stats/36919795.pdf	
3. **Turnover of businesses:** Total value of invoices by the business during the reference period corresponding to market sales of good or services supplied to third parties.	Main statistical unit, scope of coverage and breakdowns as for variable 1.
Data sources: Business surveys, company tax reports, annual reports, administrative data (tax data, electricity distribution board, etc.), economic censuses. See: OECD Structural and Demographic Business Statistics 2006, http://www.oecd.org/sdd/business-stats/36919795.pdf	

4. **Value added of businesses:** Difference between production of the business and intermediate consumption.	Main statistical unit, scope of coverage and breakdowns as for variable 1.
Data sources: Business surveys, company tax reports, annual reports, administrative data, economic censuses. See: OECD Structural and Demographic Business Statistics 2006, http://www.oecd.org/sdd/business-stats/36919795.pdf	
5. **Labour compensation in businesses** Compensation of employees is the total remuneration in cash or kind payable by a business to employees during the accounting period	Main statistical unit and breakdowns as for variable 1. Compensation per employee.
Data sources: Business surveys, company tax reports, annual reports, administrative data (social security, pension fund, etc.), economic censuses. See: OECD Structural and Demographic Business Statistics 2006, http://www.oecd.org/sdd/business-stats/36919795.pdf	
6. **Productivity of businesses:** Value added per person employed or per hour worked.	Main statistical unit, scope of coverage and breakdowns as for variable 1.
Data sources: Computed from variables 2 and 4. See: OECD Compendium of Productivity Indicators 2019, https://read.oecd-ilibrary.org/industry-and-services/oecd-compendium-of-productivity-indicators-2019_b2774f97-en#page1	

Note: 1. The UNSD International Recommendations for Industrial Statistics is a valuable source of information on concepts, definitions and methodology.

https://unstats.un.org/unsd/statcom/doc08/BG-IndustrialStats.pdf.

Source: OECD (2019).

Business dynamics: Business demography statistics

Business demography statistics illustrate the life of businesses over time, notably their births, survival, growth and deaths. They shed light on the development of the business sector in relationship to different demographic events – for instance changes in business employment. These statistics are central to any analysis of entrepreneurship and / or business dynamism in an economy. Most national statistical offices that collect this data have only begun to do so since the early 2000s. The main business demography indicators that describe the MSME sector are set out in Table A.15.

Table A.15 **Key indicators to describe the business demography**

Concept	Indicators	Main specifications
1. **Business birth**: Creation of a combination of production factors with the restriction that no other enterprise is involved in the event. Excludes entries in the business population due to reactivations, mergers, break-ups, split-offs and restructuring.	- Number of births in year t - Rate of births - Employment created by business births	Statistical unit (enterprise, establishment). Breakdowns by: - Size of employment or turnover at birth - Sector of activity - Legal form - Geographical location.
2. **Business death:**	- Number of deaths in year t	Statistical unit and breakdowns as for variable 1.

Dissolution of a combination of production factors with the restriction that no other enterprises are involved in the event. Excludes exits from the population due to mergers, take-overs, break-ups and restructuring of a set of enterprises.	- Rate of deaths - Employment destroyed by business deaths	
3. Business survival: A business born in year t-x is considered to have survived x years till year t if it is still active (in terms of employment or turnover) in any part of year t.	- Number of businesses having survived until year t - Rate of surviving businesses - Number and rate of young businesses (less than x years old) - Employment in surviving and young businesses	Statistical unit (enterprise, establishment). Breakdowns by: - Size of employment or turnover at birth - Sector of activity
4. Business growth: Growth is typically measured in terms of growth of employment or turnover over a defined period of time.	- Number of high-growth businesses (over a predefined threshold) - Rate of high-growth businesses - Rate of young high-growth businesses	Statistical unit: enterprise Breakdowns by sector of activity
Data source: Business registers, business censuses, business surveys. See: Eurostat-OECD (2007), *Eurostat-OECD Manual on Business Demography Statistics*, https://www.oecd.org/sdd/39974460.pdf; UNECE (2018), *Guidelines on the Use of Business Registers for Business Demography Statistics and Entrepreneurship Indicators*, https://www.unece.org/fileadmin/DAM/stats/publications/2018/ECECESSTAT20185.pdf		

Source: OECD (2019).

Business demography statistics can be based on various statistical units and populations. Supranational organisations such as the OECD (Statistics and Data Directorate) and the European Commission (Eurostat) commonly take the enterprise as their statistical unit in data collection exercises. At the sub-national level, however, a number of OECD countries use establishments as their statistical unit to compile business demography statistics, given the fact that an enterprise may have two or more locations in different regions.

Annex C. OECD Recommendation of the Council on Good Statistical Practice (2015)

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the fact that the quality of statistics produced by the OECD for its analytical work and for inclusion in its reporting system depends largely of the quality of official statistics produced by countries;

HAVING REGARD to relevant international guidelines, such as the United Nations Fundamental Principles of Official Statistics and the European Statistical Code of Practice;

CONSIDERING that quality statistics are an indispensable tool for good analysis, transparency, accountability and ultimately for informed decision-making and the functioning of democracies;

NOTING that international guidelines or codes of practice that currently apply to all OECD can usefully be complemented by recommendations that offer the level of specificity and emphasise aspects that correspond to developed statistical systems;

RECOGNISING that a set of concrete and practically-oriented recommendations would be of significant value to Members and non-Members seeking to assess their statistical systems and formulate their statistical policy;

On the proposal of the Committee on Statistics and Statistical Policy (CSSP),

   I.   AGREES that, for the purpose of the present Recommendation, the following definitions are used:

   ● *Administrative source* refers to the organisational unit responsible for implementing an administrative regulation (or group of regulations), for which the corresponding register of units and the transactions are viewed as a source of statistical data.

   ● *Co-ordination of the National Statistical System* refers to procedures allowing the existence of effective co-ordination among statistical agencies to ensure consistency and efficiency of the statistical system.

- *National Statistical Authorities* refers to the leading statistical agencies within a national statistical system, which are responsible for the design of the statistical policy according to national legislation.
- *National Statistical Office (NSO)* refers to the leading statistical agency within a national statistical system.
- *National Statistical System (NSS)* refers to the ensemble of statistical organisations and units within a country that jointly collect, process, and disseminate official statistics on behalf of national government.
- *Official statistics* refer to statistics that are disseminated by the national statistical system.
- *Statistical Data and Metadata eXchange (SDMX)* refers to an initiative to foster standards for the exchange of statistical information, sponsored by the Bank for International Settlements (BIS), the European Central Bank (ECB), the Statistical Office of the European Union (Eurostat), the International Monetary Fund (IMF), the OECD, the United Nations (UN) and the World Bank.
- *Statistical data* refers to data from a survey or administrative source used to produce statistics and/or the data comprising such statistics.
- *Statistical producer* refers to the producers of official statistics.

II. RECOMMENDS that Members and non-Members adhering to this Recommendation (hereafter the "Adherents"):

1. Put in place a clear legal and institutional framework for official statistics which should in particular provide:

   a) details as to the organisation of the NSS, the legal status and role of the NSO, as well as the legal status, functions, relationship, rights and responsibilities of other institutions within the NSS;

   b) a clear mandate for institutions of the NSS to collect data for statistical purposes.

2. Ensure professional independence of National Statistical Authorities. To this end, Adherents should ensure that the National Statistical Authorities:

   a) are professionally independent from other policy, regulatory or administrative departments and bodies, as well as from private sector operators, considering that professional independence of the producers of official statistics is essential for the production and the dissemination of objective statistics;

   b) have the exclusive authority, as part of their professional independence, to decide on statistical methods and dissemination;

c) are protected, through the inclusion of explicit provisions in statistics legislation, from political and other interference in developing, compiling and disseminating official statistics.

3. Ensure adequacy of human financial and technical resources available to the National Statistical Authorities for the production and dissemination of official statistics. To this end, Adherents should ensure that the resources are:

a) sufficient to allow National Statistical Authorities to meet their commitment to quality, and to meet professional standards thereby fulfilling their role as providers of reliable, relevant and accessible data for national and international use;

b) adequate to produce a minimum core set of data, to be defined nationally or internationally, to monitor the economy, society and the environment.

4. Protect the privacy of data providers (including individuals, households, enterprises, administrations, and all levels of government) and guarantee by law the confidentiality of the individual information provided and its use for statistical purposes only.

5. Ensure the right to access administrative sources to produce official statistics. To this end, Adherents should ensure that:

a) National Statistical Authorities have the right to access administrative data for the regular production of official statistics and to use them in the interest of ensuring quality of official statistics, raising the analytical value of official statistics, reducing burden on survey respondents and reducing the cost of statistical programmes;

b) National Statistical Authorities co-operate with owners of administrative records as regards their statistical quality and have authority to influence their design to ensure they are fit for statistical purposes.

6. Ensure the impartiality, objectivity and transparency of official statistics, through the development, production and dissemination by the National Statistical Authorities of statistics respecting scientific independence put in place in an objective, professional and transparent manner in which all users are treated equitably. Equitable treatment implies in particular equal access to data by all users.

7. Employ sound methodology and commit to professional standards used in the production of official statistics. To this end, Adherents should:

a) apply appropriate statistical procedures and methods, including a stated revisions policy;

b) strive to adhere to international norms and standards, such as methodological manuals developed by the United Nations Statistical Commission or by the OECD, and international classifications in the statistics collected by the OECD.

8. Commit to the quality of statistical outputs and processes, in particular to key quality dimensions as defined in national and international quality assessment frameworks, for instance in the Quality Framework and Guidelines for OECD Statistical Activities: timeliness and punctuality (statistics are released in a timely and punctual manner); relevance (statistics meet the needs of users); accuracy (statistics accurately and reliably portray reality); credibility (confidence is placed by users in statistical products); coherence and comparability (statistics are consistent internally, over time and in space and it is possible to combine and make joint use of related data from different sources); and interpretability and accessibility (see Recommendation 9).

9. Ensure user-friendly data access and dissemination, so that statistics are presented in a clear and understandable form, released in a suitable and convenient manner, including in machine-readable form ('open data'), can be found easily, and are available and accessible on an impartial basis with supporting metadata and guidance. This also entails a commitment to respond to major misinterpretations of data by users.

10. Establish responsibilities for co-ordination of statistical activities within the NSS. To this end, Adherents should ensure that:

    a) the co-ordination of statistical activities among statistical producers is done through the use of standard concepts and classifications and avoids the duplication of effort;

    b) responsibilities for such co-ordination function are clearly laid out and anchored in statistical legislation.

11. Commit to international co-operation. To this end, Adherents should:

    a) encourage statistical producers to achieve common goals in statistics jointly with the statistical producers in other countries and with international organisations, with a view to developing internationally comparable statistics, to designing international standards and to exchanging information on good practice.

    b) provide the necessary data for the OECD's reporting system and analytical work, in compliance with international statistical standards as recognised by the OECD and preferably using the Statistical Data and Metadata eXchange method/standard in particular for domains with internationally agreed Data Structure Definitions (DSDs).

12. Encourage exploring innovative methods as well as new and alternative data sources as inputs for official statistics, and in particular encourage statistical agencies to actively explore possibilities to use new data sources (including large datasets owned by the private sector), or to combine existing and new data sources as input for official statistics. At the same time, these opportunities are weighted against the limits of using modern information technologies and the need to maintain the quality of official statistics.

III. INVITES Adherents and the Secretary-General to disseminate this Recommendation;

IV. INVITES Adherents to disseminate this Recommendation at all levels of government;

V. INVITES non-Adherents to take account of and to adhere to this Recommendation subject to a review by the Committee on Statistics and Statistical Policy;

VI. INSTRUCTS the Committee on Statistics and Statistical Policy to monitor the implementation of this Recommendation and to report thereon to the Council no later than three years following its adoption and regularly thereafter.

STRENGTHENING EVIDENCE-BASED MSME POLICYMAKING IN ASEAN

Building up more robust, timely, comparable and accessible business statistics

The ASEAN SME Policy Index 2018 found that many ASEAN member states (AMS) struggle to produce official business statistics that are accurate, timely, accessible and comparable. This lack of reliable and timely data hinders domestic policymaking, but it can also hinder community-building at the regional level.

Better data and statistics play a pivotal role in building sounder policy in three key ways. First, they enable policymakers to channel public resources towards where they are most needed and to where they can generate the highest social returns. Second, they make policymaking more transparent and accountable. Third, they enable policymakers to forecast more effectively – a benefit that grows as societies become more interlinked and complex.

This policy insight paper maps how business data and statistics are being compiled across AMS; identifying some of the main issues hindering the production of robust, policy-relevant, comparable and accessible business statistics across the region. It builds on these issues to propose activities to strengthen the production of business statistics in ASEAN.

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