TWINNING NEWSLETTER

Issue No.3, March 2021

Project Overview

The EU funded Twinning Project (AZ/16/ENI/ST/01/19 (AZ/53)) is implemented **by a consortium** led by Statistics Finland with Statistics Lithuania and Statistics Netherlands acting as Junior Partners. Additional expertise will be given by Statistics Denmark and The Finnish Institute of Public Management Ltd.

The main beneficiaries are the State Statistical Committee of the Republic of Azerbaijan, State Tax Service under the Ministry of Economy, and the Small and Medium-Sized Enterprises Development Agency.

The overall objective of the Twinning project is to increase capacity among local operators to collect, process, harmonize, analyze, publish and disseminate business statistics measuring the performance of the private sector/SMEs in Azerbaijan.

Project News

Activity 2.1.A on the Statistical Enterprise and Enterprise Groups (EG) was delivered by Mr. Timo Laukkanen (Senior Statistician, Component 1 Leader, Statistics Finland) and Mr. Søren Kristensen (Chief Advisor, Statistics Denmark). During 5 remote sessions, 6 officials from the State Statistical Committee of the Republic of Azerbaijan (SSC) and 3 tax officials from the State Tax Authority under the Ministry of Economy (STS) were introduced to Enterprise Groups (EGs), Enterprises (ENT) and profiling the Statistical Enterprise in the Business Statistics Production Process. EU recommendations and Member State experiences with EGs were reviewed. The current situation in Azerbaijan concerning EG's and profiling was reviewed and recommendations on developing an Enterprise Group Register and on profiling at SSC were developed together with the BC participants.
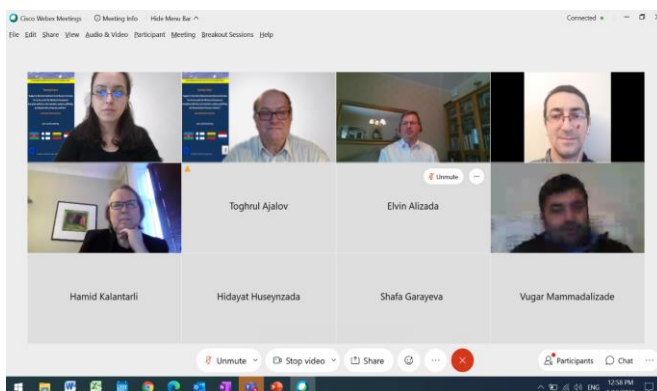
Experts Timo Laukkanen (Statistics Finland) and Søren Kristensen (Statistics Denmark) delivered **Activity (2.1.B)** about data sources and Enterprise Group (EG) creation. The purposes of the activity conducted in February 2021 were identifying data sources, preliminary data acquisition and creating EG's based on ownership data. During 4 remote sessions, the STEs and their BC counterparts discussed possibilities of obtaining AD regarding subordination or ownership codes, manual creation of EGs based on publicly available information, a method to build an EG Register using direct links among other issues. As a result of the activity, experts prepared and presented recommendations to assist the SSC create an EGR in Azerbaijan.

Activity 1.3.A which is part of Component 1 / Result 1 was delivered by Ms. Daliutė Kavaliauskienė (Statistics Lithuania), Mr. Fred Demollin (Statistics Netherlands) and Mr. Timo Laukkanen (Component 1 leader, Statistics Finland). The purpose of the activity was to find a way how different institutes can make quick changes according to their needs to common standards/classifications (own version and conversion tables between the common and dedicated classification items). The activity was carried out in 4 remote sessions. The participants discussed the current practices of working with updates of the 5 classifications in use between the SSC and STS. As outcome of the activity, the STEs prepared short-term, medium-term and long-term recommendations on updating common classifications.

A one day workshop (1.3.B) was delivered by experts Mr. Fred Demollin, Mr. Frans Duijsings and Ms. Elia Bleuten from Statistics Netherlands, Mr. Timo Laukkanen from Statistics Finland and Ms. Daliute Kavaliauskiene from Statistics Lithuania. The purpose of the workshop was to facilitate the implementation of a national cooperation board for users and suppliers of AD. Seven officials from the SSC and 14 tax officials from the STS attended the workshop.

During the workshop, the experts and the BC participants exchanged views on setting up a national cooperation board for users and suppliers of AD. Lively discussions were held in the Zoom main room as well as multiple sub-rooms.
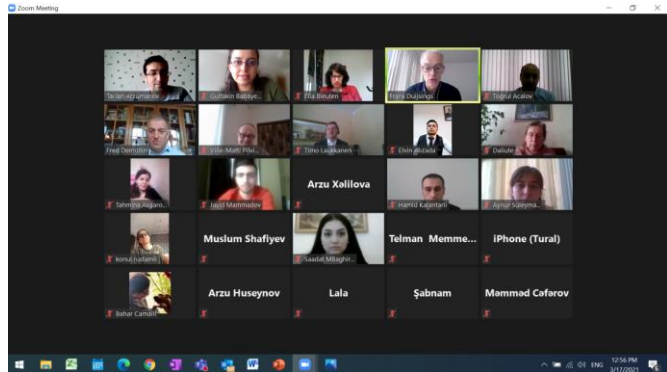

Activity 5.2.A of Component 2: "Identifying data sources for SME indicators" was implemented during February 2021. The activity was delivered by Ms. Ulla Virtanen and Ms. Merja Myllymäki from Statistics Finland. The purpose of the activity was suitability of available data for the production of SME statistics. Expected outputs of the mission were to search for administrative data sources, especially from the STS but also other AD providers, and to assess possibilities of the data: match to user needs, timeliness, quality, continuity.

The Short-Term Experts made recommendations to establish a well-functioning co-operation model for the SSC and to increase the use of AD at the micro data level.
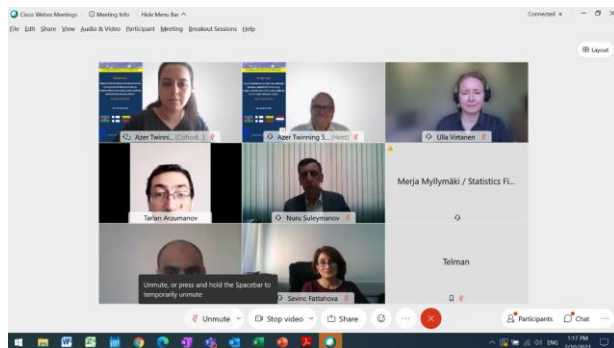

Activity 4.1.A: Current and target state of structural business statistics (SBS) took place in January 2021. The STEs of Statistics Finland, Statistics Lithuania, and Statistics Denmark - Ms. Saara Roine, Ms. Antanina Valiulienė and Mr. Jesper Moltrup-Nielsen presented EU recommendations and Member State experiences on SBS, identified the current and target state of SBS in the STS and discussed possible
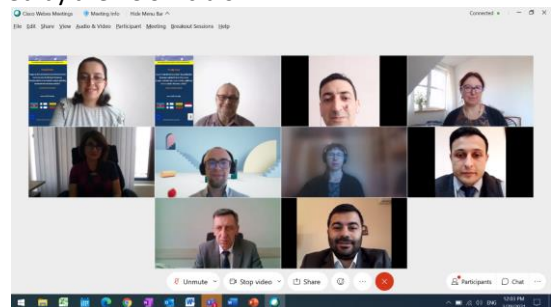
AD sources for SBS with officials from the STS and the SSC. The STEs prepared and presented recommendations on redesigning SBS in Azerbaijan. The BC institutions will work further on the recommendations given in collaboration with the STEs in upcoming activities for Result 4.
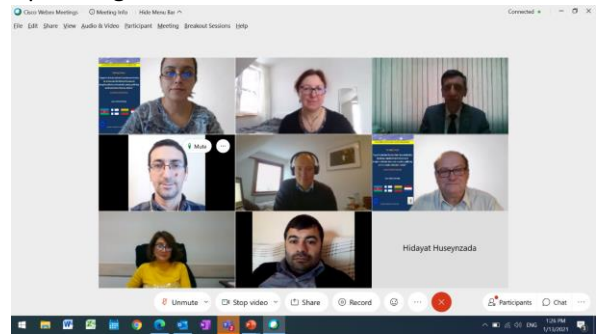
Activity 2.2.A was conducted by the experts of Statistics Finland, Mr. Timo Laukkanen and Ms. Sini Liukkonen together with Mr. Maksim Lata from Statistics Lithuania in four Remote Sessions during March 2021. The purpose of the activity was capacity building in BD. EU recommendations concerning BD statistics were presented. A preliminary study of the BC data in the State Register of Statistical Units (SRSU) was carried out. The suitability of this data for BD purposes was analyzed and information and documentation on BD data series were presented.
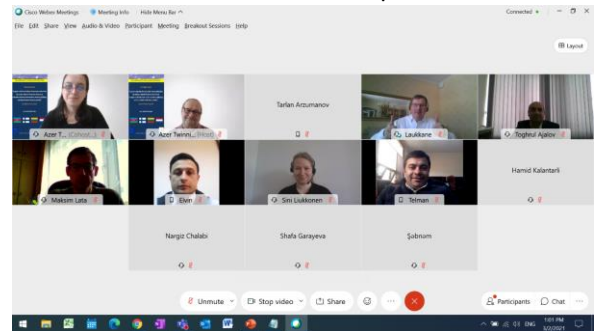
Activity 4.2.A was carried out by Ms. Antanina Valiuliene and Mr. Andrius Ciginas from Statistics Lithuania and Ms. Saara Roine from Statistics Finland. The purpose of the activity was to map administrative data to SBS variables and to identify AD quality issues and gaps. During the activity the STEs presented the main steps/procedures of the mapping process and provided a practical mapping example of SBS, survey and AD variables on employees. A Mission report was prepared by the STEs and approved by the BC officials.