

# **TWINNING CONTRACT**

**AZ/16/ENI/ST/01/19 (AZ/53)**

**Support to the State Statistical Committee and the State Tax Service under the Ministry of Economy to strengthen collection, harmonization, analysis, publishing and dissemination of business statistics**



## **MISSION REPORT**

### **Activity 1.2.A**

**Expert assessment of the current situation as regards the State Tax Service under the Ministry of Economy (STS) data transmission process and update process of the State Register of Statistical Units (SRSU)**

**Component 1: A unified approach for improved quality of information exchange with the State Tax Service under the Ministry of Economy databases is implemented**

Mission carried out by

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## **List of Abbreviations**

AZ	Azerbaijan
BC	Beneficiary Country
EC	European Commission
EU	European Union
MS	Member State
NACE	Nomenclature générale des Activités économiques dans le Communautés européennes NACE is the industrial classification of units dealing in economic activities
RS	Remote Sessions
RTA	Resident Twinning Adviser
SRSU	State Register of Statistical Units
SSC	State Statistical Committee
STS	State Tax Service under the Ministry of Economy
ToR	Terms of Reference



## **1. General comments**

This mission report was prepared within the EU Twinning Project “Support to the State Statistical Committee and the State Tax Service under the Ministry of Economy to strengthen collection, harmonization, analysis, publishing and dissemination of business statistics”. It was the second mission to be devoted to development requirements for data management standards formulated within Activity 1 of the project.

The purposes of the mission were:

- To develop working methods for the use and updating of common standards in all statistical production bodies

The consultant would like to express his/her thanks to all officials and individuals met for the kind support and valuable information which he/she received during the stay in Azerbaijan (or Remote Sessions and which highly facilitated the work of the consultant.

This views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of EU, SSC, STS, SME-Agency, Statistics Finland, Statistics Lithuania, Statistics Netherlands, Statistics Denmark and HAUS.

## **2. Status at the beginning of the mission**

Activity 1 was carried out on four Remote Sessions (RS - WebEx meetings). Last RS's was dedicated to presenting the observations made during the previous sessions and translated into proposals for improvement of the process, whereas the RS's before focused on analysing the situation in STS and SSC and presenting best practices out of MS.

## **3. Status of mission results**

- Work process description in SSC and in STS concerning the administrative data delivery
- Plan for adjusting these work processes in SSC and in STS
- Mission report

## **4. Sustainability of the achievements**

All parties agreed on the Activity 1.2.A. analysis. Should the need arise, adjustments can be made through the rolling work plan.

## **5. Recommendations for the future (short and long term)**

Short term recommendations:

- Consider bringing the NACE codes of legal units in STS data base more up to date and more in line with the real activities
  - Facilitate users in guiding through the classification, supplying more details to make a right choice during registration procedure
- Ensure mandatory filling of country code if property type equals 4 and 5 (foreign property) during registration of legal units.



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- Check the delivery procedure and ensure that full amount of country codes is delivered to SSC.
- For SSC: check the data reception process in the renewed software and ensure that all data received from STS are accepted.
- Prepare a plan and foresee all concrete steps for the general update of the STS database (legal units and individual entrepreneur) with the last version (2019) of Administrative Territorial Division Classification
  - Prepare the transition table from the old to the new version of classification
  - Prepare software for automated recoding of all legal units and individual entrepreneurs in the STS database.

#### Mid-term recommendations:

- Prepare and sign an agreement between SSC and STS on expanded data exchange including feedback and use of data from SSC to STS on updated activity codes

#### Long term recommendations:

- Set up of a national board in AZ for suppliers and users of admin data in order to arrange:
  - Strategic admin data affairs (directors' level)
  - Operational affairs (specialist level)

## **6. Identification of needs for additional support**

The BC should be able to implement these recommendations without additional support.

## **7. Outstanding issues**

There are no specific outstanding issues. Covid-19 and troubles at the region will prevent on-site missions in near future. Working with remote sessions is much less efficient than face-to-face meetings.

## **Annex 1. Terms of Reference**



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