

# **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 3.2.B**

**Activity Title: Inclusion of the five new administrative data sources to SRSU software**

**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

**Ms. Nadezda Fursova, Head of Business statistics Harmonization Division, Statistics Lithuania**

**Mr. Maksim Lata, Advisor of Economic Entities Register division, Statistics Lithuania**

12-15 October 2021

On-site mission at the premises of the State Statistical Committee of the Republic of Azerbaijan

Version: Final

**Twinning Project: 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”**

Expert contact information

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## **List of Abbreviations**

ASAN	State Agency for Public Services to Citizens of Azerbaijan
AZ	Azerbaijan
BC	Beneficiary Country
EBS	European Business Statistics
EC	European Commission
EU	European Union
MLSP	Ministry of Labour and Social Policy
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
SL	Statistics Lithuania
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 third mission to be devoted to Renewal and expansion of the SRSU software to include 5 new data sources within Component 1, Result 3 within Activity 3.2.B of the project. Mission included four on-site sessions.

The purposes of the mission were:

- Addition of five new administrative data sources into the production process of the official statistics.
- Follow up on Activity 3.2.A recommendations.
- Logical design of the new data source.
- List of changes to SRSU data structures and database to integrate the new data sources.
- Process diagram of the Updating process of at least one new data source.

The consultants would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the stay in Azerbaijan 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 3.2.B was carried out on four Sessions. Last session presented the observations made during the previous sessions and translated into proposals for improvement of the process, whereas the sessions before focused on analysing the situation in STS and SSC and presenting best practices out of MS.

- Draft version of the full current administrative data integration process has been drawn.
- The agreements with Ministry of Labour and Social Protection of Population (MSLP), Ministry of Justice, Ministry of Education, State Migration Service, State Examination Centre are already signed using new intermediary (ASAN service) for administrative data exchange between official institutions. The ASAN service is not included in the current version of the drawn process.
- New version of agreement on data exchange from STS to SCC is at the approval stage. The agreement already has been presented to the STS for their review and comments.

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

- Experts presented the follow up on the Activity 3.2.A and the achievements made so far.
- The overall information on Statistical Business Register of Statistics Lithuania (SBR SL) and its composition was presented by the experts. Sources used to update the SBR SL and key features of procedures implemented to manage and update SBR SL were presented as well.
- Experts shared their methodology for preparation of frozen frames of active legal units, which are used as main frame for statistical survey populations.
- Experts presented and shared their experience on determination and change of main economic activity code of statistical units in the SBR SL.
- Experts presented the Process approach for the Management of the Statistical Production process and its possible benefits, described the Process approach used by Statistics Lithuania. Also presented the Process map of Statistics Lithuania, the General scheme, the sub-processes, the operation of the map and how the



management process is organized. By the request of the SSC, experts presented the software that Statistics Lithuania is using for the design, maintenance and publishing of the Process map – the QPR process designer.

- During the session the Enterprise groups methodology, profiling and new statistical unit (enterprise) integration into statistical production process was discussed.
- It was discovered that STS also uses process modelling to describe their internal processes and acknowledges its usefulness.
- Statistics Finland also shared their experience in process modelling and the benefits that it provides.
- During the session, SSC elaborated draft version of the current process for the new administrative data integration which included the ASAN service. Visualization and description of two processes showed the improvement in process management. Advantages and disadvantages of the two approaches.
- Current status of using GSBPM and Process approach in SSC have been discussed with Methodology and Quality division specialist. Field departments are responsible for the description of processes according the GSBPM and the Methodology and Quality division coordinates this work.

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

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

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

Short:

- The administrative data integration process procedures should be properly documented.
- Use special software for the design, maintenance and publishing of administrative data integration processes as well as integration of existing documentation to demonstrate the benefits of the process modelling in statistical production.

Long:

- Use the template of the process model to describe all other processes of the BR.
- Further description of the administrative data integration into the Statistical production throughout the responsible divisions of the SSC would be beneficial in order to clearly define the responsibilities, intended results, interaction between the sub- processes and optimize the whole process.

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

- *None identified.*

#### **7. Outstanding issues**

- *None identified*

## **Annex 1: Terms of Reference**

### **Terms of Reference**

**EU Twinning Project: 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**

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

**12-15 October 2021 - Hosting institution: State Statistical Committee of the Republic of Azerbaijan**

#### **3.2.B Inclusion of the five new administrative data sources to SRSU software**

**Result 3:** A logical design for the renewal and expansion of the software functions for proper maintenance and updating SRSU is provided

#### **Indicators of achievement**

3.1.2 A logical design for the renewal and expansion of software functions for the proper maintenance and updating the SRSU are developed and submitted.

#### **Prerequisite: 3.2.A**

**This activity will be carried out in 4 Remote Sessions OR a 4 Working Day’s mission.**

#### **Purpose of the activity**

Inclusion of the five new administrative data sources to SRSU software

#### **Expected Outputs of the Activity**

- Follow up on Activity 3.2.A recommendations
- Logical design of one new data source
- List of changes to SRSU data structures and database to integrate the new data sources
- Process diagram of the Updating process of at least one new data source
- Mission report

#### **Resources**

##### **State Statistical Committee (SSC)**

- Mr. Togrul Ajalov – Head of sector for work with registers of statistical units and administrative information sources, Deputy Head of Department
- Ms. Shafa Garayeva- Chief Advisor of sector for work with registers of statistical units and administrative information sources



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“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”

- Mr. Hamid Kalantarli- Leading Advisor of sector for work with registers of statistical units and administrative information sources
- Ms. Nargiz Chalabi- Advisor of sector for work with registers of statistical units and administrative information sources
- Ms. Shabnam Garayeva- Leading advisor of sector for metadata and classification
- Mr. Fuad Qojayev, Chief advisor of sector for metadata and classifications

### State Tax Service under the Ministry of Economy (STS)

- Mr. Telman Mammadov, Chief State Tax Inspector of Economic Analysis Main Department
- Mr. Elvin Alizade, State Tax Inspector of Economic Analysis Main Department
- Ms. Aytan Shahmarova, Chief State Tax Inspector, International Relations Main Department
- Mr. Asadov Seymur, State Tax Inspector, Main Department of Economic Analysis and Control of Accounting ([Seymur.Asadov@taxes.gov.az](mailto:Seymur.Asadov@taxes.gov.az))
- Ms. Rahimova Nazli, State Tax Inspector, Main Department of Economic Analysis and Control of ([nazli.rahimova@taxes.gov.az](mailto:nazli.rahimova@taxes.gov.az))

### MS Experts

- Mr. Maksim Lata, *Advisor of Economic Entities Register division, Statistics Lithuania*
- Ms. Nadezda Fursova, *Advisor of Methodology and Quality Division, Statistics Lithuania*

### Twining Project Administration

- Mr. Ville-Matti Pilviö, RTA
- Ms. Gultakin Babayeva, RTAA
- Mr. Tarlan Arzumanov, Language Assistant

### Agenda

Day/Time	Place	Event	Purpose / Details
12.10.2021 Tuesday 10.00-17.00	On-site	Session 1	Opening, Introductions, Mission Agenda and Schedule, the working methodology Follow up on Activity 3.2.A recommendations Logical design of one new data source Agreement of tasks by participants for next RS
13.10.2021 Wednesday 10.00-17.00	On-site	Session 2	Logical design of one new data source - continued Agreement of tasks by participants for next RS
14.10.2021 Thursday 10.00-17.00	On-site	Session 3	List of changes to SRSU data structures and database to integrate the new data sources Process diagram of the Updating process of at least one new data source



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			Agreement of tasks by participants for next RS
15.10.2021 Friday 10.00-17.00		Session 4	Presentation of MS experts' findings Agreement on follow-up work Recommendation of next steps Agreement on summary mission report



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