

EGR basics

This section delivers basic information and basic answers on the EuroGroups Register.

- What is EuroGroups Register?
- What is an enterprise group?
- Why enterprise groups are needed in statistics?
- Why EGR is needed?
- Short EGR history
- Process before and after EGR
- The EGR mission
- Purpose, accessibility, dissemination
- EGR legal framework



What is EuroGroups Register?

The EuroGroups Register (EGR) is the statistical business register of multinational groups in the EU. The EGR is created by the cooperation between Eurostat and the national statistical offices of European Member States and EFTA countries, by pooling together micro data on legal units, relationships, enterprises and enterprise groups. The EGR contains structural economic information on multinational groups with an interest in Europe and on their enterprises.

The EGR is a database for statistical use only and it is restricted to users of national statistical offices, national central banks and the ECB.

EGR provides harmonised information on:

- groups, enterprises, legal units (identification, demographic and economic characteristics),
- relationships and control,
- shareholdings of at least 10%

What is an enterprise group?

EU Regulation No 696/93 on statistical units:

"... an association of enterprises bound together by legal and/or financial links. A group of enterprises can have more than one decision-making centre, especially for policy on production, sales and profits. It may centralise certain aspects of financial management and taxation. It constitutes an economic entity which is empowered to make choices, particularly concerning the unit it comprises."

Why enterprise groups are needed in statistics?

Enterprise groups are used for statistics related to globalisation in the Member States, for example:

- Statistics on foreign affiliates (FATS)
- Foreign direct investment statistics (FDI)
- Statistics on small and medium sized enterprises

Why EGR is needed?

All Member States register the enterprise groups in their national business registers, as defined by EU Regulation No 177/2008 on business registers for statistical purposes. National views on global enterprise groups can be different, for consistent business statistics across Europe a global view is needed.

Statistical users can use EGR as:

- coordinated frame population,
- to derive consistent statistical output,
- with an improved quality,
- in measuring global activities,
- of European enterprises part of multinational groups.

Short EGR history

In June 2003 in Geneva, Statistics Canada organized a Seminar on globalization within the 51st plenary session of the Conference of European Statisticians. Based on the results of the session a project was launched, called the MNE Project – Seeing the whole elephant! The MNE Project was an experiment on measuring the activities of MNEs using a mirror exercise: measuring some economic data on individual enterprises in one country (traditional data collection) vis-à-vis measuring the same data from the top MNE (new top down data collection). Five national statistical institutes participated: Statistics Canada, INSEE (France), ISTAT (Italy), CBS (Netherlands), and ONS (UK). The results showed that it was necessary to start building an information systems integrating information across countries on MNEs and share them to have better quality.

As a follow-up of the MNE Project in 2006 Eurostat launched the EGR Pilot project for the creation of a European Business Register on Multinational Enterprise Groups. The project was run by a consortium of four national statistical institutes: CBS (Netherlands), ONS (UK), DESTATIS (Germany), KSH (Hungary) and one private IT company.

The pilot was evaluated by Eurostat as successful and **EGR version 1.0** was set up in 2008. As legal background the new version of the business register regulation was published in 2008 allowing micro data exchanges for the creation of the EGR. EGR 1.0 produced 4 yearly frames for reference years 2008 to 2011.

In 2011 the new concept of **EGR, version 2.0** was launched. The developments are still on-going. EGR 2.0 will be complete in 2016 with all new applications. The EGR redesign was targeting several goals:

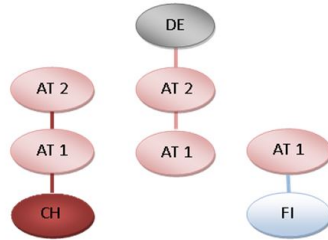
- Improve EGR process
- Improve EGR functionalities
- Create on-line [applications](#) for users with remote access
- Create a system assigning [unique identifiers](#) to the legal entities applied in the EGR data exchanges
- Improve the quality of output
- Targeting complete coverage

Process before and after EGR

The following example shows the differences in the description of enterprise groups before and after the creation of EGR.

Example: before and after EGR (1)

before EGR...



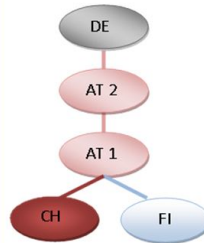
- NSIs mapped the groups individually
- Group structures were not linked and then group heads could be different

Example: before and after EGR (2)

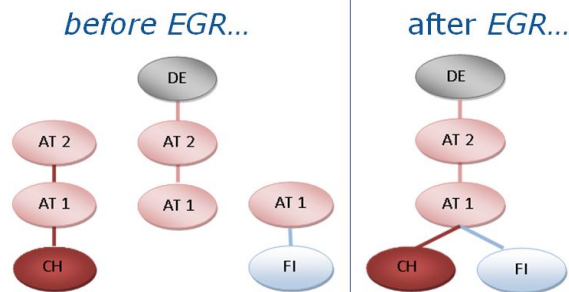
With the EGR...

- NSIs deliver to EGR pairwise relationships
 - **CH-AT1**
 - **AT1-AT2, AT2-DE**
 - **FI-AT1**
 - **DE (no controlling LEU)**
- EGR creates the groups from the pairwise relationships
- Validation of groups in EGR

in EGR...



Example: before and after EGR (3)



The EGR mission

To provide an overall view of the multinational groups in the EU with consistent cross border information:

- coordinated frame populations,
- coordinated data quality.

For the improvement of overall quality of business statistics in certain domains where there is a need to understand the cross border relationships of enterprises and respective economic transactions.

Purpose, accessibility, dissemination

The EGR is created for **statistical purposes only**, to improve the quality of information on multinational groups in the ESS. The EGR frames are accessible to all European statistical authorities responsible for producing official statistics, national statistical institutes and **authorised** national central banks. Access conditions are described on page [Access to the EGR data](#).

Data from the EGR are disseminated to Member States only via secure means of the Commission, via the communication channel [EDAMIS](#).

EGR legal framework

The **content, data exchanges, access rights of EGR** are defined in the following EU Regulations:

- [Regulation \(EC\) No 177/2008](#) establishing a common framework for business registers for statistical purposes
- [Regulation \(EC\) 192/2009](#) implementing Regulation 177/2008 establishing a common framework for business registers for statistical purposes, as regards the exchange of confidential data between the Commission (Eurostat) and Member States
- [Regulation \(EC\) 1097/2010](#) implementing Regulation 177/2008 establishing a common framework for business registers for statistical purposes, as regards the exchange of confidential data between the Commission (Eurostat) and central banks

