

# Final Minutes

## Task Force

### "Access to Finance"

#### Meeting of 11<sup>th</sup> March 2010

**Participants:**

BE	Jacobs Kjell
BG	Elisaveta Ushilova
CY	Margarita Georgiou
DK	Peter B. Nielsen
DE	Kirsten Untz
ES	Cristina Gonzalez
FI	Samuli Rikama
FR	Luc Sauvadet
GR	(excused)
IE	Katalina Gonzalez
IT	Leopoldo Nascia
LT	Ona Grigiene
LU	Georges Zangerlé, Solène Larue
LV	Elina Markaine
MT	(excused)
NL	Maartje Kessels
PL	Evelyna Augustyn, Aneta Platek
SE	Fredrik Nilsson
SK	Marianna Stalmaskova
UK	Stephen Curtis
OECD	Mariarosa Lunati
ECB	(excused)
EIF	Helmut Krämer-Eis
DG ENTR	Artur Romanek
DG ECFIN	(excused)
Eurostat	Manfred Schmiemann (Chair), Walter Sura (part-time)

# Final Minutes

1. The Chair welcomed participants, and especially the ones newly attending (OECD and Poland), to this sixth "Post-Regulation" Task Force meeting. He reported on the **state of preparations for the conduct of the data collection at Eurostat's side.**

2. The draft agenda was **adopted** without amendments.

3. Finalization of the harmonized questionnaire and experiences from national testing:

Some countries (DK, BE, LT, LV) need to do the survey before the next task force meeting of June 9<sup>th</sup>, and the **clear objective of this meeting was therefore to get to a stable version of the questionnaire and to "freeze" it there.** The BG delegate had kindly corrected a few clerical errors in the questionnaire and the related passages in the methodological manual.

DK had further tested the data collection and vetted the draft questionnaire by their political authorities, with great success and a few suggestions for improvements, based on the questionnaire version of March 4<sup>th</sup>. National results will be available by November, and it was agreed that, if a **publication of data or analyses at national level** were desired, this would not meet the objection of Eurostat. **DK will try to make available a file with their data** under the specifications as discussed to see if the methodology poses a problem.

The draft questionnaire in its March 4<sup>th</sup> version was checked in detail before "freezing" it. Main revisions: "guarantor" issue reworded in q. 3a and 3b, "not applicable" changed to "no opinion" in q. 9, and the "general economic outlook" tick-option is taken out in q. 9. The result is a final track-changes revision which will be circulated (done March 12<sup>th</sup>). The Chair stressed that it is important to **strictly adhere national versions** to this harmonized one, except for the permissible linguistic adaptations.

4. Methodological issues:

Eurostat's SBS data coordinator recalled the **main lines of proper data transmission** as regards the reception by Eurostat: **Data treatment at Eurostat is scheduled for April and May 2011.** There will be no time to correct faulty versions – only one submission of a checked, complete and correct data set, please! A broad consistency with data available via Business Demography should be checked - for example, the number of enterprises in the total of our three subdivisions cannot be higher than the number of all SMEs in BD. The csv file consists of only one large file, with the number of lines yet to be calculated. **Submission is via eDamis**, and a data identifier will be made available to all participating countries in due time. **Confidentiality treatment is entirely up to the NSIs**, in accordance with the rules in force. **All totals** for the dimensions (NACE and subpopulations) **are needed as additional lines**, so the 3x5 matrix turns into a 4x6 matrix with those totals, and the reference years (2007 or 2010) are indeed hidden in the respective questions. Therefore, the year is not the first column, but it is the country identifier, which needs to precede all further columns. All data values

(grossed-up nationally to agreed standards) are to be represented by an integer, including "0" where the value is zero, and the separating commas are really semi-colons (;). A flag for low reliability (equivalent to the "W" in the SBS) may be used only in very exceptional cases with the utmost discretion, keeping in mind that we would like to have as much data published as possible. No blank spaces, not even between semi-colons without values in between. All other details subject to description in a revised methodological manual.

There was a lengthy discussion on the **need and practicality of adding size band levels** (10 to 49 and 50 or more employees) as a further filtering dimension, and the equivalent for the **types of ownership** (or legal status; q. 1.d). Each dimension multiplies the necessary csv lines and the complexity of the overall file, and therefore it was decided not to have those answers as filtering points, but to produce and submit totals over NACE and the 3 subdivisions for each question for those two dimensions, to satisfy the Regulation requirements on ownership and the political interest in the medium size class band. This **results in the following situations:**

a. The ownership breakdown. Not every country will be likely to have the Anglo-Saxon structure of business ownership. Therefore, countries should provide information on business ownership according to their own structures, trying to keep as closely to the structure set out in the finalised questionnaire as they could. It is not in all cases necessary to include this information in the national questionnaires: where the data are available from business registers then this source should be used. In the cases of Germany and Italy, and likely in many other countries, it seems that the structure is available for 2007 and 2004 on their business registers (excluding the distinction between companies with traded shares and those without). Logic would therefore suggest that those countries need not ask the questions for these years. It is not however available for 2010, and will not be. The same logic would suggest that NSIs should therefore ask the question just in respect of that year.

Eurostat will not require the answers to this question to be cross-referenced to other data on the form (for example, Eurostat will not ask for access to finance data separately for sole proprietors or for partnerships).

b. The size breakdown. DG ENTR expressed a good deal of interest in the provision of separate data for businesses with between 10-49 employees and those with 50 or more. However, such a breakdown would enlarge the size of the file to be sent to Eurostat and also increase appreciably the size of any disclosure (confidentiality) problem; and be difficult for the smaller Member States that have low sample sizes. It should be possible for users to commission a subsequent analysis from the micro-data (perhaps at a cost) rather than to build in a size breakdown at this stage. So there is not a mandatory size breakdown, although countries are going to be encouraged to keep an employment indicator with their micro-data to facilitate any later analysis and in case it helps them with grossing-up.

There was also a comprehensive discussion of the issue of **grossing-up**, which is necessary for Eurostat to produce EU-20 totals, even if grossing up the small samples to national totals, especially in larger countries, would render that exercise appear ridiculous. BG had provided an example for their subpopulations that will be made available to all NSIs, who might wish to do the same for their sample construction. Grossing-up may have to be undertaken separately for each question within a cell,

because the response rates to the individual questions may differ. On the issue of auxiliary variables, it was decided that there would be no mandatory requirement on NSIs to use these. Given the sample sizes, this might be an undue level of sophistication for many countries.

The methodological manual will likely contain a clause that countries should use an "unbiased estimator". That should give enough rigour, but also enough scope for the approach that suits individual countries best, without losing comparability. Some possible ways in which grossing-up could be undertaken would be included, from a system along the lines demonstrated by Bulgaria, to the use of auxiliary variables (either employment or turnover). Some countries might wish to separate smaller and larger businesses into their own cells and gross for each individually. This would have a similar effect to using an auxiliary variable. The need for worked examples has been stressed and the revised methodological manual will include these. Further and beyond, it was left up to countries to what detail they wish to go beyond the minimum requirements.

**Item non-response** was briefly discussed, with the following conclusion: Non-response would require going back to the respondent, and a questionnaire would be considered "filled-in" if section E is at least answered – that would imply the respondent had not used any finance type in 2007 or 2010.

5. Further procedures and milestones:

**A next meeting of the task force is scheduled for 9<sup>th</sup> June**, and a bigger room (A4-45) was booked to accommodate all 25 attendees. The agenda will include country experiences from LT, LV, BE and DK, a merged, revised methodological manual, and instructions on what to deliver in terms of methodological reporting.

6. AOB

(None)

**Meeting adjourned at 16.50h**

**Follow-up:** Frozen questionnaire and track changes version to be prepared by Eurostat (sent out March 12<sup>th</sup>, also on CIRCA). Only grave and substantive errors to be corrected, if necessary. Preparation of one set of revised, amalgamated methodological guidelines, to be mailed to participants by the UK ONS. Data identifier to be communicated by Eurostat to all NSIs.