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# A Brief Introduction to China's BR

China's BR covers two types of units: *Legal Unit* and *Establishment*, with information about basic characteristics and business scale. Up until the end of 2014, the national BR covered approximately 12 million Legal Units, which could be divided into 9.5 million enterprises, 1,050,000 government agencies and institutional units, 250,000 social organizations, 920,000 Residents Committees and Villagers Committees, and 426,000 other organizations. The total number of establishments exceeded 14 million.

The features collected for units in the BR are as follows:

- code
- name
- legal representative
- address,
- industrial classification of its activity
- type of registration
- share-holding status
- duration of business operation
- status of the business operation
- relationship between the legal unit and its affiliated establishment
- the number of employees
- annual business income, etc.

The BR obtains information about legal units and establishments from the following specific sources: *The Basic Unit Survey*, *'Above threshold' enterprises regularly updated*, *China Economic Census*, which covers the most economic enterprises, updating the BR once every 5 years.

[1] Basic Unit Survey

The Basic Unit Survey is done specifically for the purpose of maintaining BR, thus the information it collects highly matches the information stored in the BR. BR staff

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utilize administrative records as clues to conduct the survey, other than using the records to maintain BR directly.

Government agencies of registration and management (Office for Public Sector Reform, Department of Civil Affairs, Tax Bureau, Department of Administration for Industry & Commerce) at various levels are supposed to provide the Statistical Bureau with semi-annual data of births, changes or deaths. Statistical bureaus at county level will receive these data from the above levels. With the help of these administrative records, the Basic Unit Survey is then conducted by the statistic bureaus at county level.

[2] ‘Above threshold’ enterprises regularly updated

The enterprises above designated size are those whose turnover is more than RMB 20 million in industry, and qualification owned in construction; RMB 20 million in wholesale; RMB 10 million in service; RMB 5 million in retail; or RMB 2 million in hotel and catering. These enterprises basic information is updated once a month. Up until the end of 2014, the number of ‘Above threshold’ enterprises is about 880,000

[3] China Economic Census

China conducts the national economic census once every five years, in the years ended with 3 or 8. The respondents are legal units, establishments and individual business engaged in the second industry and tertiary industry nationwide. Specifically, the following sectors are covered: mining, manufacturing, production and supply of electricity, gas and water, construction, transport, storage and post, information transmission, computer services and software, wholesale and retail trades, hotels and catering services, financial intermediation, real estate, leasing and business services, scientific research, technical services and geologic prospecting, management of water conservancy, environment and public facilities, services to households and other services, education, health, social security and social welfare, culture, sport and entertainment, public management and social organization etc.

China Third Economic Census results will be updated BR in 2015 .

Lots of work has been done to improve the BR. However, China’s BR is still faced with various challenges, such as integrating different administrative data, improving data accuracy, and meeting the requirements of different survey programs.

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[1] Integration of various administrative data.

The administrative records from Office for Public Sector Reform, Department of Civil Affairs, Tax Bureau, Department of Administration for Industry & Commerce, have no common identifiers but different types of register code respectively. We need to match the data by the name of the units, but abbreviation of the names appears constantly, which enormously reduce the matching ratio. The lack of a common identifier means that we could not use the information to maintain the BR directly, but have to spend a lot of time in verifying the information manually and removing the duplicates. What' more, the lack of unique identifier greatly hinders the work of linking the database of the different administrative registers with BR.

[2] The data accuracy of the BR.

Frequent changes take place in various units, but the work capacity of the statistical agencies at the grassroots level is weak. There is no permanent person engaged in the work of register in the statistical agencies at the grassroots level. The work force is quite unstable. A lot of people are not quite competent in their work because of their limited professional knowledge as well as technical skills. As a result, a high data quality is quite difficult to guarantee. In addition, some enterprises are not closed or changed in legally procedures issued by certain administrative departments. In consequence, administrative records often do not reflect the real situations. Although it is an excellent source for updating births, it is still a poor source to identify changes or deaths. Thus, BR is not able to remove inactive units in a timely manner.

[3] BR's Utilization.

There is a need to extend BR's use as the unique central frame to more statistical surveys like surveys on service, small size and mini-size enterprises, and cultural industry. That means the BR has to make better use of administrative data and improve the quality continually to meet requirements of different survey programs.