

# Glossary: Statistical unit - STS

Statistics Explained

A common definition of **statistical unit** or **observation unit**, i.e. the unit about which data are collected is a prerequisite for comparable European statistics. [Regulation \(EEC\) No 696/93](#) of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community defines eight different types of statistical units.

In short-term business statistics the kind-of-activity unit (KAU) has been established by the [Regulation \(EU\) No 2019/2152](#) of 27 November 2019 (European Business Statistics Regulation) as the sole statistical unit (Annex II). In the past two statistical units were used, the KAU for construction and industry, the enterprise for trade and services. For a transition period the enterprise may be used by National Statistical Institutes for trade and industry indicators in short-term statistics.

The **kind-of-activity unit (KAU)** is a part of an enterprise (see below). The KAU groups together all the offices, production facilities etc. of an enterprise which contribute to the performance of a specific economic activity defined at class level (four digits) of the [European classification of economic activities \(NACE Rev. 2\)](#). For example a kind-of-activity unit might be the combination of all parts of a metal producing enterprise that produce copper (class 24.44 in NACE Rev. 2); within the same enterprise there might be another KAU consisting of those parts that produce aluminium (class 24.42 in NACE Rev. 2). In order to statistically subdivide enterprises into KAUs the enterprise's information system must be capable of indicating or calculating for each KAU at least the value of production, intermediate consumption, manpower costs, the operating surplus and employment and gross fixed capital formation.

The purpose of the KAU is to improve the homogeneity of statistical surveys by economic activity. In the above example, without the use of KAUs, it might be necessary to classify the enterprise either as a copper manufacturer or as an aluminium manufacturer. In such a way rather diverse enterprises might be considered to engage in the same economic activity which would make statistical results less clear and comparable.

An **enterprise** is an organisational unit producing goods or services which has a certain degree of autonomy in decision-making. An enterprise can carry out more than one economic activity and it can be situated at more than one location. An enterprise is not necessarily a sole legal unit but can be a group of legal units.