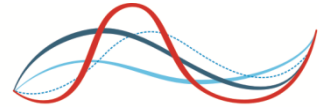




REPUBLIC OF CROATIA



CROATIAN BUREAU OF STATISTICS

**QUALITY REPORT FOR STATISTICAL SURVEY**  
**Foreign-Controlled Enterprises (iFATS)**  
**For 2018**

Organisational unit: Structural Business Statistics, Innovations, Science,  
Technologies and Investments Department

Prepared by: Lucija Babić

January 2021

## 0. Basic information

- Purpose, goal, and subject of the survey

Inward statistics on foreign affiliates (iFATS) describe the activity of foreign affiliates resident in the compiling economy. According to Eurostat's methodology, controlling institutional unit should be determined according to ultimate controlling institutional unit of a foreign affiliate (UCI), which is not controlled by another institutional unit within the foreign affiliate's chain of command. In this survey, due to a lack of relevant sources for its detection, UCI is determined for the period from 2008 to 2015 by using a substitution criterion on the basis of the headquarters of the first foreign owner. Starting with the 2016 reference year, UCI has been taken over from the EuroGroups Register (EGR), providing that for all business entities not recorded in the EuroGroups Register, UCI is still determined by using a substitution criterion on the basis of the headquarters of the first foreign owner.

The purpose of the iFATS survey is measuring direct and indirect effects of foreign control on employment, wages and productivity in the Republic of Croatia by NKD sections; for the preparation of economic, competition, enterprise, research, technical development and employment policies in the context of the liberalisation process.

The survey is carried out in accordance with the Regulation (EC) No 716/2007 of the European Parliament and of the Council of 20 June 2007 on Community statistics on the structure and activity of foreign affiliates – the FATS Regulation. Data have been available since 2008.

- Reference period

Calendar year.

- Legal acts and other agreements

Regulation (EC) No 716/2007 of the European Parliament and of the Council of 20 June 2007 on Community statistics on the structure and activity of foreign affiliates (OJ L 171, 29.06.2007) as last amended by Commission Regulation (EC) No 747/2008 of 30 July 2008 amending Regulation (EC) No 716/2007 of the European Parliament and of the Council on Community statistics on the structure and activity of foreign affiliates, as regards the definitions of characteristics and the implementation of NACE Rev. 2 (OJ L 202, 31.7.2008)

Commission Regulation (EC) No 364/2008 of 23 April 2008 implementing Regulation (EC) No 716/2007 of the European Parliament and of the Council, as regards the technical format for the transmission of foreign affiliates statistics and the derogations to be granted to Member States (OJ L 112, 24.4.2008)

Foreign Affiliates Statistics (FATS) Recommendations Manual, Eurostat, 2012

Business registers: Recommendations manual, Eurostat, 2010

Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the Statistical Classification of Economic Activities NACE Rev. 2 and amending Council Regulation (EEC) No 3037/90 and certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006)

Council 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 (OJ L 76, 30.3.1993.)

Regulation (EC) No 177/2008 of the European Parliament and of the Council of 20 February 2008 establishing a common framework for business registers for statistical purposes and repealing Council Regulation (EEC) No 2186/93 (OJ L 61, 5.3.2008)

Commission Regulation (EC) No 192/2009 of 11 March 2009 implementing Regulation (EC) No 177/2008 of the European Parliament and of the Council establishing a common framework for business registers for statistical purposes, as regards the exchange of confidential data between the Commission (Eurostat) and Member States (OJ L 67, 12.3.2009)

- Classification system

National Classification of Activities, 2007 version – NKD 2007.

- Concepts and definitions

Number of enterprises (EU code 11110) is the number of legal entities and natural persons under foreign control, registered in the Statistical Business Register that were active during at least a part of the reference period.

Turnover (EU code 12110) comprises the total accrued incomes from market sales of goods or services to third parties, with the exception of deductible VAT. Incomes classified as financial, other and extraordinary ones are excluded.

Production value (EU code 12120) measures the amount actually produced by the enterprise, based on sales, including changes in stocks and the resale of goods and services.

Value added at factor costs (EU code 12150) is the gross income from operating activities after adjusting for operating subsidies and indirect taxes, calculated gross (depreciation is not subtracted). Income and expenditure classified as financial is excluded from value added.

Total purchases of goods and services (EU code 13110) include the value of all goods and services (with the exception of deductible VAT) purchased during the accounting period, excluding capital goods the consumption of which is registered as consumption of fixed capital. Expenditures classified as financial ones are excluded. Expenditure classified as financial is excluded from value added.

Purchases of goods and services for resale (EU code 13120) include the value of goods and services (with the exception of deductible VAT) purchased for resale to third parties.

Personnel costs (EU code 13310) are remunerations calculated and payable by employers to employees in return for the work done. They are made up of wages and salaries (EU code 13320) and social security costs (EU code 13330).

Gross investments in tangible goods (EU code 15110) include all realised investments in new and existing tangible capital goods during the reference period, having a useful life of more than one year, including non-produced tangible goods such as land.

Number of persons employed (EU code 16110) is defined as the total number of persons who work in an enterprise (including working proprietors, partners working regularly in the unit, unpaid family workers and voluntary workers), as well as persons who work outside the enterprise who belong to it and are paid by it.

- Statistical units

The statistical unit used is the legal unit as proxy for the "enterprise" statistical unit prescribed by the relevant EU regulation.

- Statistical population

All active enterprises are covered – legal entities and natural persons – that are, according to their main activity, classified in sections B – J and L – N as well as in division 95 of section S of the NKD 2007.

## **1. Relevance**

### **1.1. Data users**

Internal users:

- Statistical Business Register – updated with feedback from Structural Business Statistics
- branch statistics.

External users:

- international organisations
- ministries and state administration bodies – on request
- scientists and researchers – on request
- business entities – on request
- journalists.

#### **1.1.1. User needs**

The standard prescribed by Eurostat meets the needs of national and international users.

#### **1.1.2. User satisfaction**

The user satisfaction survey is not carried out.

There is no feedback from external users.

Internal users are satisfied with the quality of data.

### **1.2. Completeness**

iFATS data are defined by EU regulations and Eurostat methodological standards.

#### **1.2.1. Data completeness rate**

Data completeness rate is 99%.

## **2. Accuracy and reliability**

### **2.1. Sampling error**

Not applicable.

2.1.1. Sampling error indicators

The indicator for this survey is not applicable.

2.1.2. Bias in sample selection process

The indicator for this survey is not applicable.

**2.2. Non-sampling error**

Not applicable.

2.2.1. Coverage error

Not applicable.

2.2.2. Over-coverage rate

The indicator for this survey is not computed.

2.2.3. Measurement errors

Not applicable.

2.2.4. Non-response errors

Not applicable.

2.2.5. Unit non-response rate

The indicator for this survey is not computed.

2.2.6. Item non-response rate

The indicator for this survey is not applicable.

2.2.7. Processing errors

Not applicable.

2.2.8. Imputation rate

The indicator for this survey is not computed.

2.2.9. Editing rate

The indicator for this survey is not computed.

2.2.10. Hit rate

The indicator for this survey is not computed.

2.2.11. Model assumption error

Not applicable.

### **2.3. Data revision**

#### **2.3.1. Data revision – policy**

The publication of final data at time T + 21 months.  
There is no need for the revision of iFATS final data at the moment.

#### **2.3.2. Data revision – practice**

The publication of final data at time T + 21 months.  
There is no need for the revision of iFATS final data at the moment.

#### **2.3.3. Data revision – average size**

The indicator for this survey is not applicable.

### **2.4. Seasonal adjustment**

Not applicable.

## **3. Timeliness and punctuality**

### **3.1. Timeliness**

#### **3.1.1. Time lag – first results**

The indicator for this survey is not applicable.

#### **3.1.2. Time lag – final results**

Time lag – final results is T + 21 months.

### **3.2. Punctuality**

#### **3.2.1. Punctuality – delivery and publication**

Punctuality – delivery and publication is 1.

## **4. Accessibility and clarity**

Printed publications of the Croatian Bureau of Statistics – First Releases  
Website of the Croatian Bureau of Statistics – electronic versions of First Releases  
Website of the Croatian Bureau of Statistics – databases  
Other (fax, w-mail, etc.)

### **4.1. News release**

Foreign-Controlled Enterprises (iFATS), 2018

#### **4.2. Other publications**

Not applicable.

#### **4.3. Online database**

Foreign-Controlled Enterprises (iFATS) in PC-Axis

#### **4.4. Micro-data access**

Accessibility is in accordance with the provisions of the Official Statistics Act, the Ordinance on Access to Confidential Statistical Data and the Ordinance on Conditions and Terms of Using Confidential Data for Scientific Purposes.

#### **4.5. Documentation on methodology**

Printed publications of the Croatian Bureau of Statistics – First Releases

Website of the Croatian Bureau of Statistics – electronic versions of First Releases

Website of the Croatian Bureau of Statistics – databases

Website of the Croatian Bureau of Statistics – folder of the Structural Business Statistics Department

### **5. Comparability**

#### **5.1. Asymmetry for mirror flows statistics**

Not applicable.

#### **5.2. Comparability over time**

##### **5.2.1. Length of comparable time series**

Length of comparable time series is 11.

##### **5.2.2. Reasons for break in time series**

Not applicable.

### **6. Coherence**

#### **6.1. Coherence – short-term and structural data**

The indicator for this survey is not computed.

#### **6.2. Coherence – national accounts**

The indicator for this survey is not computed.

#### **6.3. Coherence – administrative sources**

The indicator for this survey is not applicable.

## **7. Cost and burden**

### **7.1. Cost**

The costs of statistical data production are minimal and refer mainly to data source check and data editing, considering that input data are taken over from existing administrative and statistical sources.

### **7.2. Burden**

Not applicable.