



REPUBLIC OF CROATIA



CROATIAN BUREAU OF STATISTICS

QUALITY REPORT FOR STATISTICAL SURVEY
Statistical Business Register
For 2015

Organisational unit: Statistical Business Register Department
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0. Basic information

- Purpose, goal, and subject of the survey

The Statistical Business Register is a complete, comprehensive, structured and regularly updated base of data on legal and statistical units engaged in the production of goods and services. It provides a frame for conducting statistical surveys, statistical analysis of population of business entities and its demography, establishing links with administrative sources and for identifying and delineation of statistical units.

It contains information on legal entities and natural persons (crafts and free lances) that contribute to GDP.

It is compiled from administrative and statistical sources. Administrative sources of data are the Register of Business Entities, the Central Register of Crafts, the Register of Taxpayers, the Court Register, the Central Depository and Clearing Company Inc., the Financial Agency, etc. Statistical sources are the EuroGroup Register and statistical surveys carried out by the Croatian Bureau of Statistics.

The following units are registered in the Statistical Business Register: legal units, enterprises, local units, enterprise groups and non-resident units linked by ownership with resident units.

- Reference period

Calendar year.

- Legal acts and other agreements

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;

Council Regulation (EEC) No 696/93 on the statistical units for the observation and analysis of the production system in the Community;

Official Statistics Act (OG, Nos 103/03, 75/09, 59/12 and 12/13 – consolidated text)

Decision on the National Classification of Activities – NKD 2007. (OG, Nos 58/07 and 72/07)

- Classification system

National Classification of Activities, 2007 version – NDK 2007.

Classification of Territorial Units for Statistics

Sector Classification of Institutional Units according to ESA 2010

- Concepts and definitions

The Statistical Business Register contains the following main types of units: legal unit, enterprise, local unit and enterprise group.

A legal unit is an administrative unit that enables the creation of statistical units and their linking with administrative databases. The legal unit can be a legal entity or a natural person who performs independent activity for the purpose of gaining profit or for realisation of the function for which it is established. It can be a trading company, an institution, a central government body, a body of local (regional) self-government unit, an association, a political party or another legal form of legal entities, as well as a craft, a trade or a freelance that has to be registered and perform activity in line with legislation.

The Statistical Business Register contains the following data on legal units:

Identity number (MB, OIB, MBS, number of craft licence), name, address, telephone and fax numbers, e-mail address, date of incorporation for legal persons or date of official recognition as an economic operator for natural persons; date on which the legal unit ceased; legal form; number of employees, annual turnover; activity code according to the NKD 2007., institutional sector code according to the ESA 2010, identity number of the enterprise group to which the unit belongs, date of association to the enterprise group; date of separation from the enterprise group, identity number(s) of resident legal unit(s) which are controlled by the legal unit or which control the legal unit etc.

An enterprise is a basic statistical unit as defined in the methodology for business registers, which is in the majority of cases equal to a legal unit, but in specific circumstances it is created by grouping of legal units. In that case, an enterprise represents the smallest combination of legal units that constitute an organisational unit for production of goods and services and have a certain degree of autonomy in making decisions.

In the Statistical Business Register of the Croatian Bureau of Statistics, an enterprise is equal to a legal unit.

The Statistical Business Register contains the following data on enterprises: identity number, link to legal unit or group of legal units, name, address, telephone and fax numbers, e-mail address, date of commencement, date of cessation, number of persons employed and annual turnover; activity code of main and secondary activities according to NKD 2007., institutional sector code according to ESA 2010, identity number of enterprise group to which the unit belongs, date of association to the enterprise group, date of separation from the enterprise group, code of surveys in which the unit is involved, etc.

A local unit is an enterprise or a part of an enterprise/legal unit running business at a particular geographical location. One or more economic activities of an enterprise a local unit belongs to are carried out at or from that location. One or more persons work at that location, even in exceptional cases when the aforementioned person works only part time.

The Statistical Business Register contains the following data on local units:

Identity number, ordinal number within a legal unit, name, address, telephone and fax numbers, e-mail address, identity numbers of the enterprise and the legal unit the local unit belongs to, date of commencement of activities, date of final cessation of activities, main activity code at the NKD 2007. class level, secondary activities, if any, at the NKD 2007. class level, a mark if the activity carried out in the local unit is an ancillary activity at the enterprise level, etc.

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

The Statistical Business Register contains the following data on enterprise groups:

identity number (national and European), type of the group, name of the group in Croatia, address, telephone and fax numbers, e-mail address, date of commencement of the group in Croatia, date of cessation of the group in Croatia, number of persons employed and annual turnover, main activity code according to NKD 2007., secondary activity codes, if any, direct parent of the main legal unit in Croatia, country of the direct parent, subsidiaries, links between the main legal unit and subsidiaries, percentage of ownership, mark of control, consolidated turnover of the group, number of employees in the group.

- Statistical units

Statistical units are selected on the basis of statistical domains.

At the time being, a legal unit is a proxy for an enterprise and it is the main unit for which information is collected.

Some statistical surveys use kind-of-activity units or local kind-of-activity units according to a types of activities which are derived from legal or local units.

- Statistical population

The Statistical Business Register is a full and comprehensive list of business entities registered in administrative registers in the Republic of Croatia (Croatian residents). No threshold exists in the coverage, but data on all business entities available in administrative sources are taken over. Natural persons (flat-rate taxations) are excluded from the coverage.

1. Relevance

1.1. Data users

Users of data of the Statistical Business Register are internal – statistical departments of the Croatian Bureau of Statistics (Business Statistics Directorate and Macroeconomic Statistics Directorate as well as Social Statistics Directorate for certain surveys), and external – Eurostat, the Croatian National Bank, the Ministry of Finance concerning the Sectoral Classification of Institutional Units as well as individual users.

1.1.1 User needs

The contents of the Statistical Business Register is prescribed by EU regulation on business registers, which sets basic indicators needed for carrying out statistical surveys and analyses.

The needs of external users are met to a limited extent, except for data on the Sectoral Classification of Institutional Units, since data kept in the Statistical Business Register are confidential and not available to external users at the individual level, but only in an aggregated form in a way that does not allow the identification of individual units and their business indicators.

1.1.2 User satisfaction

User satisfaction is measured by the user satisfaction survey. It was carried out for the first time in 2013 and for the second time in 2015. The results showing the level of user satisfaction were published in 2015 on the link:

http://www.dzs.hr/Eng/international/Quality_Report/Quality_Report_Documents/Quality_Report_Satisfaction_Survey.pdf

As for internal users, they have the opportunity to express their opinion and satisfaction with the Statistical Business Register at semi-annual meetings.

1.2. Completeness

The Statistical Business Register is in full compliance with EU legislation.

1.2.1 Data completeness rate

Indicator for this survey is not computed.

2. Accuracy and reliability

2.1. Sampling error

Not applicable.

2.1.1 Sampling error indicators

Indicator for this survey is not applicable.

2.1.2 Bias due to sample selection process

Indicator for this survey is not applicable.

2.2. Non-sampling error

Non-sampling errors that affect the quality of data in the Statistical Business Register refer to coverage, measurement and processing errors.

2.2.1 Coverage error

The coverage error relates to under-coverage, duplication of units and incorrect classification according to NKD 2007.

Under-coverage:

In the Statistical Business Register, legal entities are fully covered, but there are deficiencies in the part related to natural persons (crafts and free lances), which primarily concern the scope of free professions and to a very small extent the crafts.

The reason for the under-coverage of free lances is the lack of a single and up-to-date register of free professions, due to the fact that special categories of free professions are registered in dozens of various registries within professional chambers, associations and other organisations.

In the absence of a single register of free lances, the Register of Taxpayers is used, where there are certain deficiencies in marking of individual categories of natural persons who carry out their activity independently.

Crafts are to a lesser extent subjected to under-coverage, and this occurs in exceptional and rare cases when some crafts are not transferred to the Statistical Business Register due to a certain error in the Craft Register.

Duplication of data is present in relation to free professions due to the fact that multiple ID numbers are assigned to the same freelancers, in which case each new ID number taken over from the administrative source is considered a new unit.

Efforts are taken that a code of activity that entities actually perform are registered in the Statistical Business Register. Those data are mainly obtained through various business statistics surveys in which indicators related to specific activities (industry, agriculture, services, tourism, construction, etc.) are collected and in which reporting units are selected based on the registered activity.

If the registered activity is not actually performed, the reporting units cannot enter the requested data and, in that case, they report on the performance of another activity. This information is the basis for a potential change of the activity code in the Statistical Business Register.

In other surveys where requested data are not directly related to the activity (e.g. investments), reporting units often report that the activity assigned in the Statistical Business Register is erroneous and state the activity registered in the Administrative Business Register as correct, which is often not true.

2.2.2 Over-coverage rate

Indicator for this survey is not computed.

2.2.3 Measurement errors

Measurement errors that occur in the Statistical Business Register relate to data taken over from poor-quality administrative resources. These errors primarily relate to errors in the number of employees and turnover, when the data had been incorrectly entered into the source from which they were obtained.

Such errors are continually identified by comparing data from multiple sources or consecutive years, verified and corrected.

2.2.4 Non-response errors

Not applicable.

2.2.5 Unit non-response rate

Indicator for this survey is not applicable.

2.2.6 Item non-response-rate

Indicator for this survey is not applicable.

2.2.7 Processing errors

Units are registered in the Statistical Business Register with features that are pre-recorded in administrative sources and are calculated by specific algorithms when downloading to the Statistical Business Register, e.g. the code of the institutional sector. In specific cases, errors can occur, which are continually checked and corrected by contacting reporting units.

2.2.8 Imputation rate

Indicator for this survey is not applicable.

2.2.9 Editing rate

Indicator for this survey is not applicable.

2.2.10 Hit rate

Indicator for this survey is not applicable.

2.2.11 Model assumption error

Not applicable.

2.3. Data revision

2.3.1 Data revision – policy

Not applicable.

2.3.2 Data revision – practice

Not applicable.

2.3.3 Data revision – average size

Indicator for this survey is not applicable.

2.4. Seasonal adjustment

Seasonal adjustment is not carried out in the Statistical Business Register.

3. Timeliness and Punctuality

3.1. Timeliness

3.1.1 Time lag – first results

Time lag – first results is: T + 10 months.

3.1.2 Time lag – final results

Time lag – final results is: T + 12 months.

3.2. Punctuality

3.2.1 Punctuality – delivery and publication

Indicator for this survey is not applicable.

4. Accessibility and clarity

The data are delivered in an aggregated form upon request, in printed and electronic format.

4.1. News release

The data are not published in publications of the Croatian Bureau of Statistics.

4.2. Other publications

The data are not published in publications of the Croatian Bureau of Statistics.

4.3. On-line database

Data on classification of business entities according to the Sectoral Classification of Institutional Units are available on-line.

4.4. Micro-data access

Only microdata pertaining to the Sectoral Classification of Institutional Units are available.

4.5. Documentation on methodology

The Business Register Recommendations Manual is publicly available on the Eurostat's web page, on the link:

<http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-32-10-216-EN-C-EN.pdf>

5. Comparability

5.1. Asymmetry for mirror flows statistics

Is not applicable for the Statistical Business Register.

5.2. Comparability over time

5.2.1 Length of comparable time series

Length of comparable time series is: 7

5.2.2 Reasons for break in time series

A break in time series can occur due to the expansion of the coverage by including a certain category of business entities that was not previously included, then due to changes in data sources or changes in one of important classifications (NKD 2007. or Sectoral Classification of Institutional Units).

Data on the number of employees in crafts and free lances for 2014 were increased in a given period due to changes in the data source, which followed the abolition of ID forms.

Most data were corrected during 2015 and 2016.

6. Coherence

6.1. Coherence – short-term and structural data

Indicator for this survey is not applicable.

6.2. Coherence – national accounts

Indicator for this survey is not computed.

6.3. Coherence – administrative sources

Indicator for this survey is not applicable.

7. Cost and burden

7.1. Cost

The costs directly related to keeping the Statistical Business Register are the following:

- staff costs – six employees
- IT maintenance and development costs – 100 000 kuna on the annual basis.

7.2. Burden

The burden on reporting units has been minimised to the greatest extent possible by using administrative sources. The burden is present only in cases when reporting units are directly contacted for data checking.