



QUALITY REPORT FOR STATISTICAL SURVEY

Industrial Turnover Index for 2024

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0. Basic information

• Purpose, goal, and subject of the survey

The result of the survey is the value of industrial turnover at the level of industrial activity groups of the NKD 2007, with a breakdown of turnover generated from the sale on: a1) the domestic market and a2) the non-domestic market, with the following further breakdown: in the euro area/outside the euro area, for the industrial activities B and C according to the NKD 2007. The survey enables the production of the industrial turnover index on month-on-month and year-on-year chain basis. The industrial turnover index may be used as an indicator of development of the market of industrial products and services produced within industry. Industrial turnover indices on the domestic market serve to measure monthly movements of the industrial turnover/production sold realised by industrial enterprises/industrial local units on the territory of the Republic of Croatia, while, on the other hand, industrial turnover indices on the anon-domestic market serve to measure monthly movements of the Republic of Croatia. Industrial turnover indices are chain indices calculated according to the value data of the industrial turnover/sale at the level of the main activity of industrial local units defined by the Croatian Bureau of Statistics. Indices are calculated from aggregate data on industrial turnover/sale value in a reporting month.

Reference period

Month

Legal acts and other agreements

The legal basis at the national level is the Official Statistics Act (NN, Nos 25/20 and 155/23), which defines the responsibilities for the collection, processing and dissemination of data. The Croatian Bureau of Statistics is the main producer, disseminator and coordinator of the official statistics system in the Republic of Croatia. The goals of official statistics are defined by the Official Statistics Act (NN, Nos 25/20 and 155/23). Producers of official statistics have the right to collect data from all available sources. The concepts and terms are harmonised with the concepts and terms of the EU, especially with Regulation (EU) 2019/2152 of the European Parliament and of the Council and Commission Implementing Regulation (EU) 2020/1197. Statistical Activities are defined by the Programme of Statistics of the Republic of Croatia 2021 and the Development Strategy of Official Statistics of the Republic of Croatia 2021 - 2030.

Classification system

National Classification of Activities, 2007 version - NKD 2007 (NN, Nos 58/07 and 72/07) is harmonised with NACE Rev. 2 of the European Union.

Statistical concepts and definitions

Industrial turnover indices are chain indices calculated according to the value data of the industrial turnover/sale at the level of the main activity of industrial local units defined by the Croatian Bureau of Statistics. Indices are calculated from aggregate data on industrial turnover/sale value in a reporting month. The value of total industrial turnover, i.e. income from sales, is the invoiced value generated by industrial local units on the basis of products and services sold during the reference month.

Statistical units

The survey covers enterprises and parts thereof employing 20 or more persons and performing one or several industrial activities. Exceptionally, enterprises employing less than 20 persons if the coverage of value added does not reach 90% without them (according to the NKD 2007, at the three-digit level) and enterprises engaged in specific activities (such as printing offices and bakeries).

• Statistical population

The total set consists of all enterprises and parts thereof employing 20 or more persons (the so-called cut-off sample) and performing one or several industrial activities listed in the NKD 2007 sections B Mining and quarrying and C Manufacturing, and their divisions 05 - 33. The coverage can be extended to those employing less than 20 persons if they are engaged in a specific industrial production important for the final research results. The IND-2/KPS/M survey for 2024 covers 3 313 enterprises (legal entities and tradesmen).

1. Relevance

1.1 Data users

Internal users: National Accounts Department

External national users: ministries and state administration bodies, Croatian Chamber of Economy

1.1.1 User needs

Users require detailed data for economic analyses, estimation of movements of short-term industry indicators for business monitoring and decision-making purposes (business entities) as well as for research and writing academic papers purposes (students).

1.1.2 User satisfaction

The first user satisfaction survey of the Croatian Bureau of Statistics was conducted in 2013, the second one in 2015, and the last one at the end of 2022. The survey results can be checked on the website of the Croatian Bureau of Statistics <u>https://dzs.gov.hr/highlighted-themes/quality/user-satisfactionsurveys/686</u>.

1.2. Completeness

The data are 100% complete according to corresponding regulations/guidelines. The concepts and definitions used in the IND-2/KPS/M survey are in line with Eurostat's concepts and definitions for short-term statistics.

1.2.1 Data completeness rate

The data completeness rate is: 100%

2. Accuracy and reliability

2.1. Sampling error

Cut-off sample

2.1.1 Sampling error indicators

Indicator for this survey is not applicable.

2.2. Non-sampling error

Errors in estimations that cannot be linked to the sample selection is the unit non-response (unit non-response rate is approximately 1.0%). In that case, data are estimated but have no impact on key results.

2.2.1. Coverage error

A slight non-coverage of the target population may occur due to the fact that it is impossible to collect data from enterprises included in the survey at the beginning of the year. The over-coverage rate is also very low. Target population are all enterprises and parts thereof employing 20 or more persons and performing one or several industrial activities and, in exceptional cases, enterprises employing less than 20 persons when 90% of gross value added of each NKD 2007 industry group is not covered without them (particularly small industries like bakeries, printing offices, wineries, etc.).

2.2.2. Over-coverage rate

Indicator for this survey is not applicable.

2.2.3. Measurement error

Data verification is incorporated in the application (for example, oscillation +/- sales income) and it indicates the possibility of incorrect data and possible need for checking data together with the reporting unit.

2.2.4. Non-response error

Non-response rate is approximately 1.0% (administrative data is missing).

The non-response rate for key variables is 0.

2.2.5. Unit non-response rate

Unweighted unit non-response rate

| Domain | Domain value | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Average |
|---------|--------------|------|------|------|------|------|------|------|------|------|------|------|------|---------|
| Croatia | Croatia | 0,5% | 0,8% | 1,2% | 0,7% | 0,9% | 0,9% | 0,9% | 1,0% | 1,0% | 1,0% | 3,0% | 1,0% | 1,1% |

2.2.6. Item non-response rate

Unweighted item non-response rate

| Variat | le Domain | Domain value | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Average |
|--|-----------|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|---------|
| Non-respons rate for all variables | | Croatia | 0,5% | 0,8% | 1,2% | 0,7% | 0,9% | 0,9% | 0,9% | 1,0% | 1,0% | 1,0% | 3,0% | 1,0% | 1,1% |

2.2.7. Processing error

The classification according to the NKD is taken over from the annual PRODCOM (PRODucts of the European COMmunity) survey. Prior to the data editing for the first month, the NKD activity is checked for being pertinent to the production type of the reporting unit (KAU).

2.2.8. Imputation rate

Indicator for this survey is not applicable.

2.2.9. Model assumption error

The estimate calculation model is not applied.

2.3. Data revision

2.3.1. Data revision – policy

Data are disseminated as final and as such they are not subject to any revision. The users of statistical data are informed about revisions on the website of the Croatian Bureau of Statistics, on the link - <u>General</u> <u>Revision Policy of the CBS</u>.

2.3.2. Data revision – practice

Provisional data are not published in the survey; therefore, there are no data revisions and data are published as final results.

2.3.3. Data revision - average size

Indicator for this survey is not applicable.

2.4. Seasonal adjustment

Seasonal and working-day adjustment has been done by using the X13 ARIMA method on the monthly index series, which starts with the January 2000 index for the total industry and for the MIGs 2009 according to specific groupings in respect of the NKD 2007 activity coverage of each indicator. The effect of a random component in the seasonal adjustment process of time series of indices has been excluded.

3. Timeliness and Punctuality

3.1. Timeliness

Data publishing: T + 57; refers to days.

3.1.1. Time lag – first results

Time lag - first results is: T + 57 days.

3.1.2. Time lag – final results

Time lag - final results is: T + 57 days.

3.2. Punctuality

All First Releases are published as announced in the Calendar of Statistical Data Issues.

3.2.1. Punctuality - delivery and publication

Delivery and publication is: 1

4. Accessibility and clarity

Monthly First Releases, Statistics in Line, annual Statistical Report: Short-Term Indicators of Industry

Data are available in electronic form on the website of the Croatian Bureau of Statistics.

4.1. News release

Monthly First Release: IND-2024-4-1 Industrial Turnover Index

4.2. On-line database

On the website of the Croatian Bureau of Statistics under the Data section: <u>PC Axis Database</u> and <u>STS</u> <u>Database</u>

4.3. Micro-data access

The conditions under which certain users can access microdata are regulated by the <u>Ordinance on</u> <u>Conditions and Terms of Access and Use of Confidential Statistical Data of the Croatian Bureau of</u> <u>Statistics for Scientific Purposes</u> (NN, br. 5/23).

4.4. Documentation on methodology

Description of the methodology and data sources can be found in every First Release: monthly First Release IND-2024-4-1 Industrial Turnover Index and Annual Statistical Report: Short-Term Indicators of Industry. On the website of the Croatian Bureau of Statistics, there are the Nomenclature of Industrial Products for the Monthly Survey on Industry (NIPUM) and statistical standards for the survey on industrial production and Industrial Turnover Index - Notes on methodology.

5. Comparability over time

5.1. Asymmetry for mirror flows statistics

The indicator is not applicable.

5.2. Comparability - over time

Completely comparable since 2000.

5.2.1. Length of comparable time series

Length of comparable time series is 300 months (January 2000 - December 2024).

| Domain | Domain value | Jan | Feb | Mar | Apr | Мау | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---------|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Croatia | Croatia | 289 | 290 | 291 | 292 | 293 | 294 | 295 | 296 | 297 | 298 | 299 | 300 |

5.2.2. Reasons for break in time series

Main revisions are planned to be carried out every five years in relation to the change of the reference year due to the change of the National Classification of Activities. From 2024 the base year 2021 is applied with no major needs for revision compared to the penultimate base year 2015.

5.3. Coherence – subannual and annual statistics

Indicator was not computed for this survey.

5.4. Coherence – national accounts

Indicator for this survey is not applicable.

5.5. Coherence – administrative sources

Indicator for this survey is not applicable.

6. Cost and burden

6.1. Cost

Data collection is based on an administrative source (tax administration) and an online survey, so the costs are minimal accordingly.

6.2. Burden

Data are collected from an administrative source (98.2% of units) and only 1.8% of data are obtained by direct collection, mostly from large enterprises using the reporting method via a web-based application (the so-called CAWI), where the response burden is reduced to minimum.