

**QUALITY REPORT FOR STATISTICAL SURVEY**  
**Business Demography**  
**for 2022**

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## 0. Basic information

- Purpose, goal, and subject of the survey

Business demography provides information on births, deaths and survival rates of enterprises, as well as on related employment data.

- Reference period

Calendar year

- Legal acts and other agreements

REGULATION (EU) 2019/2152 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics

COMMISSION IMPLEMENTING REGULATION (EU) 2020/1197 of 30 July 2020 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council on European business statistics, repealing 10 legal acts in the field of business statistics

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

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 Revision 2 and amending Council Regulation (EEC) No. 3037/90 as well as certain EC Regulations on specific statistical domains

European business statistics methodological manual for statistical business registers, Eurostat, 2021

European Business Statistics Manual, Eurostat, 2021

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

EUROSTAT - OECD Manual on Business Demography Statistics

Official statistics Act (OG, No 25/20)

National Classification of Spatial Units for Statistics 2012 (OG, No 35/07)

- Classification system

National Classification of Activities, 2007 version - NKD 2007.

The National Classification of Spatial Units for Statistics 2012

- Statistical concepts and definitions

Enterprise in the statistical sense is a business entity that represents an organisational unit for producing goods and/or services and benefits from a certain degree of autonomy. Depending on the business and organisational situation, it may correspond to only one legal unit or a group of several legal units.

Number of active enterprises is the number of enterprises registered in the Statistical Business Register that were active during at least a part of the reference year. Enterprise is considered to be active if it either had employment or realised turnover or investments.

Population of employer enterprises is a subset of active enterprises who employed workers in the reference year.

Number of persons employed (Number of employees and self-employed persons) is defined as 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, which is calculated as an annual average.

Number of paid employees is the number of persons who have an employment contract (which may be formal or informal) and work for an enterprise in return for remuneration in cash or in kind, regardless of where the work is done (in or outside the enterprise).

Population of enterprise births includes enterprises that started an economic activity in the reference year. Births exclude events such as mergers, break-ups, split-offs or restructuring of an enterprise group. Enterprise birth is not equal to registration of enterprise in a competent register.

Population of enterprise deaths covers enterprises that have not been economically active for two consecutive years after the last year of activity. Deaths exclude enterprises that ceased activity due to split-up, take-over or merger.

Survived enterprise is the one without discontinuity in its activity status after the year of birth.

High-growth enterprise is an enterprise with average annualised growth greater than 10%, over a three year period.

- Statistical units

The main observation unit used for business demography statistics is an enterprise.

- Statistical population

It includes active, market oriented enterprises that are classified, by principal activity, in sections B to S of the NKD 2007., excluding activities of section O Public administration and defence; compulsory social security and division S94 - Activities of membership organisations.

## **1. Relevance**

### **1.1 Data users**

Internal users:

- Structural Business statistics Department

External users:

- Croatian National Bank
- ministries and government bodies
- scientists and researchers
- journalists
- business entities
- international organisations

### 1.1.1 User needs

Data on Business demography are provided to users as a response to their requests in accordance with the Dissemination Policy of the Croatian Bureau of Statistics.

### 1.1.2 User satisfaction

The first survey on satisfaction of users of the Croatian Bureau of Statistics was carried out in 2013, then in 2015, and the most recent one at the end of 2022. The results can be checked out on the website of the Croatian Bureau of Statistics <https://dzs.gov.hr/highlighted-themes/quality/user-satisfaction-surveys/686>.

## 1.2. Completeness

Business demography data are in full compliance with the Eurostat's methodology for business demography statistics and, as such, they are internationally comparable.

### 1.2.1 Data completeness rate

The data completeness rate is: 100%

## 2. Accuracy and reliability

### 2.1. Sampling error

Not applicable to business demography.

#### 2.1.1 Sampling error indicators

Indicator for this survey is not applicable.

### 2.2. Non-sampling error

Non-sampling errors affecting the quality of data are errors that occur in the Statistical Business Register (data source), i.e. coverage errors, measurement errors and processing errors.

#### 2.2.1. Coverage error

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

Under-coverage errors can occur if the Statistical Business Register, as a data source, does not include all active units. The coverage of legal entities is complete, but there are shortcomings in the coverage of natural persons that primarily relate to free lances and, to a lesser extent, to crafts.

The reason for the under-coverage of free lances is a lack of a single and up-to-date register of all free professions.

The shortcomings in the crafts coverage occur in exceptional cases when, due to data errors, not all crafts are transferred from the Craft Register to the Statistical Business Register.

Duplication of data is present in relation to freelancers because of multiple ID numbers assigned to the same freelancers, where each new ID number taken over from an administrative source is considered a new unit.

An improper classification according to the NKD 2007. occurs when a unit registers in an administrative source an activity other than the one it actually performs. Data on the activities of units are corrected in the Statistical Business Register on the basis of various statistical surveys of business statistics by which indicators related to specific activities are collected (industry, agriculture, services, tourism, construction, etc.).

#### 2.2.2. Over-coverage rate

Indicator for this survey is not applicable.

#### 2.2.3. Measurement error

The measurement errors that occur in the Statistical Business Register relate to the data downloaded from poor-quality administrative sources. These errors are primarily errors in the number of employees and turnover, which occur when the data are incorrectly entered into the source from which they are downloaded. Such errors are continuously identified by comparing data from multiple sources or consecutive years, checked and corrected.

#### 2.2.4. Non-response error

Not applicable to business demography.

#### 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 error

Input and processing errors can occur if, during automated procedures by which data are entered into the Statistical Business Register, certain characteristics, e.g., institutional sector codes, are calculated incorrectly. Such specific cases are checked by contacting the reporting units and corrected in the Register.

#### 2.2.8. Imputation rate

Indicator for this survey is not applicable.

#### 2.2.9. Model assumption error

Not applicable.

### 2.3. Data revision

#### 2.3.1. Data revision – policy

The users of statistical data are informed about revisions (preliminary data, final data) on the website of the Croatian Bureau of Statistics.

#### 2.3.2. Data revision – practice

Provisional data on active enterprises, births and deaths of enterprises and survival rates are published in the First Release at time T + 11. Final data are published in the database on the website of the Croatian Bureau of Statistic at time T + 19 and on GeoStat at time T + 22.

#### 2.3.3. Data revision – average size

Indicator for this survey is not applicable.

### 2.4. Seasonal adjustment

Seasonal adjustment is not carried out for business demography.

## 3. Timeliness and Punctuality

### 3.1. Timeliness

Provisional data are published at time T + 11 (T = reference year), and final data at time T + 19.

#### 3.1.1. Time lag – first results

Time lag - first results is: T + 11 months.

#### 3.1.2. Time lag – final results

Time lag - final results is: T + 19 months.

### 3.2. Punctuality

Business demography data are published according to the deadlines defined in the Calendar of Statistical Data Issues.

#### 3.2.1. Punctuality – delivery and publication

Delivery and publication is: 1

## 4. Accessibility and clarity

Website of the Croatian Bureau of Statistics - electronic versions of First Releases, databases, GeoStat

### 4.1. News release

Basic Indicators of Business Demography, 2022. - Provisional data

### 4.2. On-line database

[https://web.dzs.hr/PXWeb/Menu.aspx?px\\_language=en&px\\_db=Strukturne%20poslovne%20statistike&rxid=721747fa-dbe8-4536-b514-951307a0ff07](https://web.dzs.hr/PXWeb/Menu.aspx?px_language=en&px_db=Strukturne%20poslovne%20statistike&rxid=721747fa-dbe8-4536-b514-951307a0ff07)

<https://geostat.dzs.hr/?lang=en>

### 4.3. Micro-data access

The conditions under which certain users may have access to microdata are defined by the provisions of the Official Statistics Act, the Ordinance on Access to Confidential Data of the Croatian Bureau of Statistics within the System of Official Statistics and the Ordinance on Conditions and Terms of Access and Use of Confidential Statistical Data of the Croatian Bureau of Statistics for Scientific Purposes.

### 4.4. Documentation on methodology

The business demography manual is available on the website of Eurostat

<https://ec.europa.eu/eurostat/en/web/products-manuals-and-guidelines/-/ks-ra-07-010>.

Methodological documents can be found in First Releases on the website of the Croatian Bureau of statistics

<https://podaci.dzs.hr/2023/en/58042>

They can also be found in databases on the website of the Croatian Bureau of Statistics

<https://web.dzs.hr/Eng/DBHomepages/Structural%20business%20statistics/methodology-Business%20Demography.htm> and on GeoStat <https://geostat.dzs.hr/?lang=en>.

## 5. Comparability over time

### 5.1. Asymmetry for mirror flows statistics

Not applicable for business demography.

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

Comparable data series for business demography are available for the period from 2012 to 2018. and 2019 to 2022.

In 2019, there was a break in time series and data are not comparable with data from previous years.

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

Length of comparable time series is: 4

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

Since 2019 data are not comparable with data from previous years due to the enlargement of the coverage of active enterprises (natural persons involved in independent activities, who are the taxpayers of the lump-sum income tax - crafts and free lances). In addition, until the 2018 reference year, legal and natural persons were used as the equivalent of enterprise, while since 2019, the definition of enterprise according to the EU methodology has been applied.

## **5.3. Coherence – subannual and annual statistics**

Indicator for this survey is not applicable.

## **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**

The costs of business demography data production refer to the data source control and data processing.

### **6.2. Burden**

Given that the input data for the production of business demography are taken over from the Statistical Business Register, there is no additional burden on the reporting units.