

Structural Business Statistics (ANNEXES I-IV)

Reference metadata based on the Euro SDMX Metadata Structure (ESMS)

Republika Srpska Institute of Statistics

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1. Contact				
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2. Metadata update			
2.1.	Metadata last certified	22.09.2022.	
2.2.	Metadata last posted	23.06.2023.	
2.3.	Metadata last update	22.09.2022.	

3. Statistical presentation

3.1. Data description

Structural business statistics (SBS) serve to provide annual indicators necessary for the analysis and monitoring of business activities of market producers. Observation units in the SBS survey are enterprises and entrepreneurs of non-financial business economy. Basic structural items and indicators of market operations of enterprises and entrepreneurs are provided by section of economic activities and by size (by number of employees). Basic items are: number of enterprises, number of entrepreneurs, number of persons employed, turnover, value added at factor costs and personnel costs. Basic indicators are: turnover per person employed, value added per person employed (indicator of productivity), share of value added in production value, labour costs per employee and profitability rate.

3.2. Classification system

Classification of Economic Activities KD BiH 2010, which in its content and structure fully complies with the EU Statistical Classification of Economic Activities NACE Rev 2.

3.3. Sector coverage

Sections B to J, L to N, private sector in sections P to R and divisions 95 and 96 pursuant to KD BiH 2010.

3.4. Statistical concepts and definitions

Number of enterpises and entrepreneurs covers entities from the SBR in the population which is subject to observation, which operate commercially and which were active at least for part of the observation year (with either realised turnover or employees). All temporarily inactive (quiescent) and actually inactive enterprises are excluded.

Number of employees covers persons who are employed on a temporary or permanent basis, working in full or part time. Number of employees includes seasonal workers, apprentices, people working from home and persons on strike or on short-term leave. This number does not cover persons on long-term leave. Employees are paid by the employer for performed work, and payments can be in the form of wage, salary, fee, gratuity, piecework pay or remuneration in kind.

Number of persons employed includes number of employees on the payroll and unpaid employed persons such as proprietors, partners, family members, volunteers, etc.

Operating revenues represent the results of enterprises' business operations expressed as a value. These include revenues from the sale of goods, products and services, revenues from the use of own goods, other operating revenues, and changes in stocks of finished goods and ongoing production. They are expressed without value added tax.

Operating expenditure represents enterprises' costs of business operations expressed as a value. These include purchase value of sold goods, intermediate consumption (costs of materials and energy, costs of production services, non-material costs), depreciation and provision costs and personnel costs.

Inventories represent a form of working capital. Their value is a state on the first and last day of the year, expressed in monetary terms. Structural business statistics monitor inventories in terms of materials, energy, goods, ongoing production and finished products.

Turnover covers calculated revenues from sale of own products, revenues from provided services and revenues from sale of goods for resale, during the observation period. Calculation of turnover covers all billed taxes, except VAT and similar deductible taxes. Sales discounts, price reductions, the value of returned goods, as well as subsidies received from the state, other financial and extraordinary income are excluded.

Value added at factor costs is given as the gross amount (without depreciation deduction), calculated by adding subsidies to production value at basic prices, and subtracting product and production tax costs and value of intermediate production from it.

Personnel costs are defined as total compensation of employees during the observation period, in money or in kind. These consist of gross wages and salaries, and other personnel costs having the character of personal income.

Turnover per person employed is obtained by dividing total turnover by total number of persons employed. This indicator expresses the enterprise's selling capacity from specific activity.

Value added per person employed is a basic indicator for labour productivity measuring. This indicator shows the amount of value added produced per person employed.

Share of value added in production value is obtained by dividing total value added by total achieved production value.

Labour costs per employee show the average costs of employees in certain activities and these are obtained by dividing total labour costs by number of employees, that is, by number of persons who were paid for performed work.

Profitability represents percentage share of gross operating surplus in turnover. This indicator shows earning capacity of an enterprise or of certain activities.

3.5. Statistical unit

Observation units in the SBS survey are economically active and market-oriented enterprises and entrepreneurs of non-financial business economy. These enterprises and entrepreneurs achieve over 50% of operating income from sale of goods and services on the market.

3.6. Statistical population

Economically active enterprises and entrepreneurs, in the sections of economic activity B to J, L to N, private sector in sections P to R and divisions 95 and 96 based on KD BiH 2010.

3.7. Reference area

Republika Srpska

3.8. Time coverage

Since 2010

3.9. Base period

Previous year (T-1)

4. Unit of measure

Absolute values, Convertible Mark, rates (%)

5. Reference period

Calendar year, 1 January-31 December 2021

6. Institutional mandate

6.1. Legal acts and other agreements

Law on Statistics of Republika Srpska ("Official Gazette of Republika Srpska, No. 85/03), Statistical Programme of Republika Srpska for the period 2022-2025 ("Official Gazette of Republika Srpska, No. 102/21), current annual Work Plan of the Republika Srpska Institute of Statistics.

6.2. Data sharing

Agreement on business cooperation between the Republika Srpska Tax Administration and the Republika Srpska Institute of Statistics.

Protocol on the manner and conditions of use of summary reports and analyses between the Agency for Mediation, Information and Financial Services (APIF) and the Republika Srpska Institute of Statistics.

7. Confidentiality

7.1. Confidentiality - policy

The confidentiality of data and protection of personal information are regulated by the Law on Statistics of Republika Srpska ("Official Gazette of Republika Srpska, No. 85/03) and the Rules of protection of confidential data of the Republika Srpska Institute of Statistics. The confidentiality of statistical data is also ensured through the Law on the protection of personal data ("Official Gazette of BiH", No. 49/06).

7.2 Confidentiality - data treatment

The confidentiality of data and protection of personal information are guaranteed by Articles 25 to 29 of the Law on Statistics of Republika Srpska ("Official Gazette of Republika Srpska", No. 85/03). The Institute informs all reporting units that the collected data will be used for statistical purposes only and that confidential data remain confidential.

Rules of protection of confidential data of the Republika Srpska Institute of Statistics lists the principles of confidential data treatment, procedures for ensuring confidentiality during the collection, processing and dissemination of data, as well as procedures for accessing microdata.

8. Release policy

8.1. Release calendar

Basic structural items and indicators are published in accordance with the pre-defined release calendar – preliminary data 10 months after the end of the observation year and final data 15 months after the end of the observation year. The Release calendar is available on the Institute's website.

8.2. Release calendar access

http://www.rzs.rs.ba/publications/?left mi=15&add=15

8.3. User access

All users have the right to access data and information at the same time and in the same way.

9. Frequency of dissemination

Annual

10. Accessibility and clarity

10.1. Release

Basic structural indicators of business activities of enterprises and entrepreneurs – preliminary results

Basic structural indicators of business activities of enterprises and entrepreneurs – final results

10.2. Publications

Basic structural indicators of business activities of enterprises and entrepreneurs, final results, are published in the publications Statistical Yearbook and This is Republika Srpska.

10.3. Online database

SBS data, annual indicators of business activity and economic indicators, are available in the <u>online database</u>, in the section Structural business statistics – annual business indicators.

10.4. Microdata access

Microdata are not available.

10.5. Other

The data are also disseminated through replies to written requests of users according to their specification, as well as at press conferences.

10.6. Documentation on methodology

In addition to the data, the publications also provide brief methodological explanations and definitions of basic indicators and concepts.

The official website of the Institute, in the part referring to <u>SBS</u>, provides <u>quality reports</u>, the methodology <u>Structural indicators of business activities of enterprises and entrepreneurs, 2021, <u>metadata (ESMS)</u> and basic <u>concepts and definitions</u>.</u>

10.7. Quality documentation

Quality Report is available at the website of the Republika Srpska Institute of Statistics: http://www.rzs.rs.ba/front/category/340/?left_mi=284&add=284

11. Quality management

11.1. Quality assurance

In order to ensure the quality of statistical data and to preserve public confidence in the data, RSIS applies provisions of the Law on Statistics of Republika Srpska (Article 17, paragraph 1) which prescribes the application of the principles of impartiality, reliability, transparency, timeliness, professional independence and statistical confidentiality in the organisation and production of statistics in Republika Srpska. The Republika Srpska Institute of Statistics follows the recommendations for the organisation and quality management set out in the European Statistics Code of Practice (CoP), and the total quality management is based on the implementation of the Common Assessment Framework.

11.2. Quality assessment

Final phase of the statistical activity is an overall assessment using information from all processes, from the design of survey instruments and data collection, to data publication and feedback from users. This information is used to produce a quality report, which contains descriptions of all processes of the statistical activities and lists advantages and disadvantages related to quality, as well as quality indicators.

12. Relevance

12.1. User needs

Key users of SBS data are:

- Public sector: Ministry of Finance, Ministry of Economic Relations and Regional Cooperation, Ministry of Trade and Tourism, Ministry of Energy, Industry and Mining, Economics Institute, Directorate for Economic Planning, Directorate for European Integration, Chamber of Commerce, republic and municipal agencies for the development of small and medium-sized enterprises;
- science, research and education: Economics Institute;
- general public: individuals;
- the media: news agencies;
- internal users: Statistical Business Register, national accounts and short-term statistics.

Structural business statistics data for the level of Republika Srpska are submitted to the Agency for Statistics of Bosnia and Herzegovina, the institution responsible for the aggregation of data to the state level and reporting to the Statistical Office of the European Union, Eurostat.

Basic structural items and indicators of market operations of enterprises and entrepreneurs are provided by section of economic activities and by size (by number of employees).

Produced data are used for the analysis of structure of active market enterprises and entrepreneurs, as well as for the analysis of business profit and losses and competitiveness of enterprises and entrepreneurs and the analysis of business developments at the Republika Srpska and international level.

Occasionally, users require structural business statistics data referring to a specific municipality, but these are not provided through this survey.

12.2. User satisfaction

Satisfaction of users with statistical data is measured through the User Satisfaction Survey relating to the data produced by the Republika Srpska Institute of Statistics. The results of the latest survey are available at the Institute's website, in the section Quality in statistics.

User satisfaction with the SBR data is not specifically measured.

12.3. Completeness

The data obtained through the implementation of this survey allow the calculation of all statistics required by EU regulations on business statistics 2019/2152 and implementation 2020/1197, regardless of these being annual or multi-annual statistics.

13. Accuracy and reliability

13.1. Overall accuracy

The control implies monitoring of the accuracy, logic, completeness and consistency of data at the level of observation unit. The application contains around fifty logical and computational controls, some of which are cautionary (soft), while some indicate mandatory corrections (hard). Accuracy of data is checked by using the prescribed methodology and examining measurement errors, as well as through comparisons with data referring to the previous period or with data obtained through other statistical surveys and additional analyses.

13.2. Sampling error

Structural business statistics are not done on a sample basis, so the measurement of sampling errors is not applicable.

13.3. Non-sampling error

Constant improvements to methodological processes are aimed at reducing non-sampling errors.

Under-coverage and over-coverage errors are rare in the SBS survey; if they do occur, they are small. In 2021, the sampling frame included 0.08% of units that did not belong to the target population of SBS. Measures being taken to reduce coverage errors include timely and regular exchange of information between statistical surveys and the SBR.

The most common reasons for the occurrence of measurement errors:

- Superficial or incomplete completion of the report;
- Lack of understanding of the methodology by the person filling in the report;
- Random errors occurring while data are entered in the report (questionnaire);
- Data are entered in the wrong amount (i.e. amount with decimal places, two zeros, etc.).

If measurement errors are detected, computational and logical controls are applied to make corrections after collected data are compared with the SBS data from the previous year and with the data obtained through other statistical surveys. If major errors are detected, the person who completed the report is contacted.

The most important instrument used to reduce errors occurring while the reports are completed are the Instructions for completing the report, which are sent to reporting units once a year. These instructions describe in detail the method of completing the report. In order to reduce measurement errors, the letter to reporting units provides contact information of the persons in charge of the survey. These persons are able to provide all the necessary explanations for completing the questionnaire.

Non-response rate for SBS 2021 was 0.71%. This is the unweighted non-response rate, which shows how many observation units did not submit a report. Relevance of these units to the survey cannot be determined.

14. Timeliness and punctuality

14.1. Timeliness

Preliminary results are made available by their publication, 10 months after the observation period, while final results are published 15 months after the observation period.

14.2. Punctuality

Punctuality of SBS data publication for 2021 is 100%.

15. Coherence and comparability

15.1. Comparability - geographical

In all European countries, SBS survey complies with recommendations and regulations of the European Commission; thus, SBS data for Annexes I-IV are fully comparable with data of the European Statistical System members.

15.2. Comparability - over time

Structural business statistics have been produced regularly since 2010. With continuous development of the survey, in line with recommendations and regulations of the European Commission, all sections of activity according to the KD BiH 2010 have been covered since 2012 for enterprises, and since 2014 for enterprises and entrepreneurs. Section R - Arts, entertainment and recreation was included in Structural Business Statistics for the first time in 2017 and includes enterprises and entrepreneurs from the private (profit) sector.

Due to differences in the coverage of sections of economic activity, SBS data for 2012 and 2013 are not fully comparable with data for the first two years of the survey. A break in the time series occurred in 2014 as well, when entrepreneurs were included in the survey and in 2017 with including the section R in the coverage.

There are no specific factors which could affect the comparability of time series, since the recommendation regarding items to be provided has been applied to the maximum extent. These items are specified in Regulations 2019/2152 and 2020/1197.

15.3. Coherence - cross domain

Structural business statistics data are compared with data obtained through national accounts statistics, labour statistics, PRODCOM statistics and other statistics associated with structural business statistics. Value of indicators for key variables is compared with the value from national accounts statistics, as the reference source.

CH1 for turnover is 0.0128 and for the number of employees - 0.0043.

The turnover from the SBS survey is higher by 1.28% than the turnover taken from the statistics of national accounts, calculated on the basis of data from the Annual Financial Reports. The number of employees, which is the result of the SBS survey, is lower by 0.43% than the number of employees taken from the statistics of national accounts, calculated on the basis of data from the Annual Financial Reports.

15.4. Coherence - internal

SBS data and results are internally coherent. Data at the enterprise level represent the basis for the production of structural items and indicators at higher levels of aggregation (class, group, division and section of economic activity) for the entire Republika Srpska.

16. Cost and burden

Annual operating costs by main cost components

Number of hours worked – estimated data for the following phases of work: - preparation of instruments and delivery to the field, - collection, - data entry and processing, - calculation of SBS results, and - publishing.	2,454 h
Material costs (printing and delivery of forms to the field)	2,248 KM
Annual number of forms submitted to reporting units	2,518 main forms and 1,444 DO ¹⁾

Data on annual burden on respondents

Number of respondents that completed the form	1,166
Time required to complete a detailed form with an additional one for Annex II (IND SBS) and for Annex IV (GRAÐ SBS) – for a total of 626 observation units (hours)	0.9
Time required to complete a detailed form for Annex I (USLUGE SBS) and for Annex III (TRG SBS) – for a total of 481 observation units (hours)	
Time required to complete a detailed form with an additional one for Annex I - a total of 59 observation units (hours)	1.0
Total time spent for IND SBS+IND-DO and GRAĐ SBS+GRAĐ-DO (hours)	8451)
Total time spent for USLUGE SPS and TRG SPS (hours)	649 ¹⁾
Total time spent for USLUGE SPS + USLUGE-DO (hours)	1471)

17. Data revision

17.1. Data revision – policy

There is no general data revision policy. Users are informed on performed data revisions in the form of brief information, published in statistical releases and other publications.

17.2. Data revision - practice

Final data are published five months after the publication of preliminary data. Revision of final data for structural business statistics was not implemented nor planned.

18. Statistical processing

18.1. Source data

Structural indicators of business activities of enterprises and entrepreneurs are a result of statistical processing of data for enterprises from the Annual Reports of Structural Business Statistics and Annual Financial Reports, as well as the estimate of data for entrepreneurs. The results of Structural Business Statistics are produced on the basis of directly collected data for enterprises with 20 or more employees (1,166 enterprises), on the basis of Annual Financial Reports for enterprises with less than 20 employees (7,195 enterprises), and for entrepreneurs on the basis of estimates based on data from the Republika Srpska Tax Administration.

¹⁾ Two copies of each form type are sent to each reporting unit in the survey

Data on the number of enterprises in SBS 2021, by data source, are available in Table 7 of the detailed <u>Quality</u> Report for Structural Business Statistics, 2021.

18.2. Frequency of data collection

Annual

18.3. Data collection

Collection of data for the production of structural business indicators is carried out using the form "Annual report on Structural Business Statistics". For each Annex (I-IV) a special type of form has been created (USLUGE SPS, IND SPS, TRG SPS and GRAÐ SPS), so the main four forms are used in the survey. In addition to main forms, additional forms are used for Annexes I, II and IV.

Forms are available at the Institute's website.

Business entities submit data to the regional offices of the Republika Srpska Institute of Statistics, five months after the observation year.

Data on the characteristics collected using this form are available in the accounting, personnel and other records of enterprises. These include data on revenues, expenditures, inventories, employees, gross fixed capital formation, etc.

18.4. Data validation

Data processing and production of results are carried out at the Production Statistics Division and Services Statistics Division of the Republika Srpska Institute of Statistics. These Divisions perform formal, computational and logical controls, treat extreme values of microdata, assess and analyse results, etc.

Data from "Annual reports on structural business statistics" are entered into the application without prior corrections of possible irregularities, i.e. in the "raw" form. Following completion of data entry, it is possible to see a list of all computational and logical errors, for all reporting units, with red-tagged "hard" errors. The basis for microdata editing are comparisons with structural business statistics data from the previous year and with data from statements of accounts of the observation year. In addition to the above, data are also compared with labour statistics, "PRODCOM" statistics and other statistics associated with structural business statistics. In case of discrepancies, checks are made with reporting units, via telephone.

18.5. Data compilation

Variables and indicators of Structural Business Statistics are first produced at the enterprise level, and then aggregated to the level of classes, groups, divisions and sections of the KD BiH in 2010. The results, in accordance with European recommendations, are presented according to the main (predominant) activity, which implies that , if the enterprise performs several activities, the entire result is attributed to its main activity.

Based on the available data for entrepreneurs (activity code, number of entrepreneurs and number of employees) from the SBR, on the one hand, and collected data for companies (all SPS variables) on the other hand, an assessment of SBS variables for entrepreneurs was made.

Data for entrepreneurs were estimated based on the number of employed persons, using the mathematicalstatistical method of regression and correlation. The basic assumptions of this model are:

- similarity of companies and entrepreneurs in the same industry and class of employees;
- correlation of the number of employees and all other variables.

First, the data on the number of entrepreneurs, the number of employees of entrepreneurs and the number of employees of entrepreneurs are distributed into homogeneous groups according to the group (3-digit activity code) and class of employees. The following employee classes are used:

- for industry and construction: 1 (0-9), 2 (10-19), 3 (20-49), 4 (50-250) and 5 (250 and more employees):
- for trade and services: 1 (0-1), 2 (2-9), 3 (10-19), 4 (20-49), 5 (50-250) and 6 (250 and more employees).

In the same way, all the necessary data for enterprises are distributed into homogeneous groups according to the group of activity and class of employees.

By matching these data sets, the following two correlation coefficients are calculated:

- coefficient 1 = number of employees of entrepreneurs / number of employees of companies and
- coefficient 2 = number of employees of entrepreneurs / number of employees of the company.

By multiplying these coefficients with the corresponding enterprise data, we obtain data for entrepreneurs.

SPS data (variables) for entrepreneurs are added to SPS data (variables) for enterprises and in this way the annual performance indicators of enterprises and entrepreneurs in the field of non-financial business economy are obtained.

18.6. Adjustment

Adjustment methods are not applied in structural business statistics.

19. Comment	