

# National statistical business register -North Macedonia



National Reference Metadata in Euro SDMX Metadata Structure (ESMS)

Compiling agency: State Statistical Office of the Republic of North Macedonia (SSO)

# Eurostat metadata Reference metadata

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For any question on data and metadata, please contact: Eurostat user support

1. Contact		<u>Top</u>
1.1. Contact organisation	State Statistical Office of the Republic of North Macedonia (SSO)	
1.2. Contact organisation unit	Sector for Business Statistics - Department for Statistical Business Register	
1.5. Contact mail address	Dame Gruev 4 1000 Skopje Republic of North Macedonia	

2. Metadata update	
2.1. Metadata last certified	12/04/2023
2.2. Metadata last posted	12/04/2023
2.3. Metadata last update	12/04/2023

# 3. Statistical presentation

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# 3.1. Data description

The statistical business registers (SBR) are basic infrastructure for the collection and compilation of data for European business statistics. The SBR in SSO are used as the main source of information for statistical analysis of the business population and its demography, for the definition of the survey population and for establishing the link to administrative data sources.

Statistical business register in SSO is an authoritative sources for deriving harmonised frame populations for the production

of European business statistics. SBR contribute to the achievement of consistent and comparable business statistics by
creating and using coordinated populations of statistical units
The national statistical business registers include information on the active population of:
□ all enterprises carrying out economic activities contributing to the gross domestic product (GDP) and their local units;
☐ the legal units of which those enterprises consist;
□ the kind of activity unit for those enterprises which due to their size have a significant influence and whose kind-of-activity units (KAUs) have a significant influence on the aggregated (national) data;
□ enterprise groups to which those enterprises belong.
Households not fall within the scope of the SSO statistical business register insofar as the goods and services they produce
are destined to their own consumption, or involve letting out of own property.
Enterprise groups are identified through the links of control between their legal units in accordance with Regulation (EU) No. 549/2013.
The main variables recorded in the statistical business registers are the following:
☐ Identification variables: identification number, name, address;
☐ Demographic events: date of commencement/cessation of the unit;
☐ Economic variables/stratification parameters: economic activity (NACE), employment, turnover, legal form, legal activity
status;
☐ Information on control and ownership of units: parent/subsidiary legal unit, minority shareholder information, country of global decision centre (if the first foreign country is also country of global decision centre - Republic of North mAcedonia a candidate country has no access to Euro Group Register and thas cannot have this information).

#### 3.2. Classification system

Classification systems and code lists used in the national statistical business register are as follows:

- National classification for economic activities, identical to NACE Rev. 2 on 4 digit level and 5 digit level developed for national needs for NACE Rev.2 code 6910 Legal activities (sub-classess);
- Classification of institutional sectors in the national economy in accordance with the European System of Accounts (ESA 2010)

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- S.11 Non-financial corporations
- S.12 Financial Corporations
- S.121 Monetary financial institutions (MFIs) Central Bank
- S.122 Monetary financial institutions (MFIs) Deposit-taking corporations except the central bank
- S.124 Non-MMF investment funds
- Other financial intermediaries, except S.125 insurance corporations and pension funds
- S.126 Financial auxiliaries
- S.127 Captive financial institutions and money lenders
- S.128 Insurance Corporations (IC)
- S.129 Pension Funds (PF)
- S.13 General Government
- S.14 Households
- Nomenclature of territorial units for statistics (NUTS);
- National classification on type of legal unit organization;
- Country code List of 2-digit ISO country codes
- Type of ownership
- · Size classess
- Activity status

## 3.3. Coverage - sector

The coverage of the national statistical business registers is defined in the <u>Regulation (EU) 2019/2152</u> on European business statistics.

The national statistical business registers comprise all enterprises resident in the national territory that are carrying out activities contributing to GDP.

Households do not fall within the scope of the European framework for statistical business registers insofar as the goods and services they produce are destined to their own consumption, or involve letting out of own property.

The SBR frame covers all units which, wholly or partially, exercise an economic activity and economically inactive legal units, which are part of an enterprise in combination with economically active legal units. For the purposes of the European

framework for statistical business registers, the following economic activities are considered:

- any activity comprising the offer of goods and services on a given market;
- non-market services contribuThe units in the register are defined according Regulation (EEC) No 696/93 and the unit's characteristics are defined according EBS Regulation 2152/2019. In the Statistical Business Register are included business entities located on the territory of the Republic of North Macedonia and their organizational units, irrespective of their size, organizational form, institutional sector and sector of activity from the National Classification of Activities NKD Rev.2 (except Section T and U) where they are distributed by their main activities, and which previously have been registered by a competent authority. The active business entities play a central role in Statistical Business Register because are basis for creating and maintaining statistical units.ting to the GDP;
- direct and indirect holdings of active legal units.

Holding assets and/or liabilities are also considered an economic activity.

The units in the SSO SBR are defined according Regulation (EEC) No 696/93 and the unit's characteristics are defined according EBS Regulation 2152/2019. In the Statistical Business Register are included business entities located on the territory of the Republic of North Macedonia and their organizational units, irrespective of their size, organizational form, institutional sector and sector of activity from the National Classification of Activities NKD Rev.2 (except Section T and U) where they are distributed by their main activities, and which previously have been registered by a competent authority. The active business entities play a central role in Statistical Business Register because are basis for creating and maintaining statistical units.

#### 3.4. Statistical concepts and definitions

The main statistical concepts and definitions used for the statistical business registers are as follows:

#### Annual copy of statistical business register

The annual copy of the statistical business register reflects the state of the register at the end of the year including all units active within the reference year. SSO makes a copy annually and keeps that copy for at least 30 years for the purpose of analysis.

#### **Active unit**

A statistical unit is considered to have been active during the reference period, if in said period it either realized positive net turnover or produced outputs or had employees or performed investments.

A legal unit can be legally or administratively active without any economic activity, when the inactive legal unit is part of an enterprise in combination with economically active legal units. Holding assets and/or liabilities shall also be regarded as an economic activity.

#### Number of active enterprises

The number of active enterprises is the number of all statistical units which at any time during the reference period were 'enterprises', as defined in Council Regulation (EEC) No 696/93, and also active during the same reference period. A statistical unit is considered to have been active during the reference period, if in said period it either realized positive net turnover or produced outputs or had employees or performed investments.

#### Number of employees

The number of employees represents the average number of persons who were, at some time during the reference period, employees of the statistical unit.

#### Number of employees and self-employed persons

The number of employees and self-employed persons is the sum of the Number of employees and Number of self-employed persons. The number of self-employed persons is the average number of persons who were at some time during the reference period the sole owners or joint owners of the statistical unit in which they work and receive salary.

#### Number of local units

A count of the number of local units as defined in Regulation (EEC) No 696/93 registered to the population concerned in the business register corrected for errors, in particular frame errors. Local units must be included even if they have no paid employees. This statistic should include all units active during at least a part of the reference period.

#### Net turnover

For all activities except for NACE 64, 65 and some activities of NACE 66 net turnover consists of all income arising during the reference period in the course of ordinary activities of the statistical unit, and is presented net of all price reductions, discounts and rebates granted by it.

Income is defined as increases in economic benefits during the reference period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants.

The inflows referred to are arising from contracts with customers and are realized through the satisfaction by the statistical unit of performance obligations as foreseen in said contracts. Usually, a performance obligation is represented by the sale

(transfer) of goods or the rendering of services, however, the gross inflows can also contain revenues obtained as a yield on the use by others of the statistical unit's assets.

Excluded from net turnover are:

- all taxes, duties or levies linked directly to revenue;
- any amounts collected on behalf of any principal, if the statistical unit is acting as an agent in its relationship with said principal;
- all income not arising in the course of ordinary activities of the statistical unit. Usually, these types of income are classified as 'Other (operating) income', 'Financial income', 'Extra-ordinary income' or under a similar heading, depending on the respective set of generally accepted accounting standards used to prepare the financial statements.

Infra-annual statistics may not be able to take into account aspects such as annual price reductions, subsidies, rebates and discounts.

For the activities of NACE K6411, K6419 and K649 net turnover is defined as the value of output minus subsidies or government grants.

For the activities of NACE K642 and K643 net turnover can be approximated by the total operating costs, if net turnover is not available in the financial statements.

For the activities of NACE K6511, K6512 and K652 net turnover is defined as Gross premiums earned.

For the activities of NACE K653 the net turnover is defined as total pension contributions

For activities of NACE K66 for which net turnover is not available in the financial statements, net turnover is defined as the value of output minus subsidies or government grants. For activities of NACE K66 for which net turnover is available in the financial statements, the standard definition of net turnover applies.

#### **Principal activity**

The principal (or main) activity is the activity that contributes most to the total value added of a unit under consideration. Ideally, the principal activity of the unit should be determined with reference to the value added to the goods and services produced, by applying the top-down method. The top-down method follows a hierarchical principle: the classification of the unit at the lowest level of the classification must be consistent with the classification of the unit at higher levels. The principal activity so identified does not necessarily account for 50 % or more of the unit's total value added.

In the European Union the classification of principal activity is determined by reference to NACE Rev. 2, first at the highest level of classification and then at more detailed levels (top-down method).

#### Secondary activity

A secondary activity is each separate activity that produces products eventually for third parties and that is not the principal activity. The outputs of secondary activities are secondary products. For 2020 secondary activity is not part of the SBR.

## 3.5. Statistical unit

The units in the register are defined according Regulation (EEC) No 696/93 and the unit's characteristics are defined according EBS Regulation 2152/2019:

- Enterprise the enterprise is the smallest combination of legal units that is an organizational unit producing goods or services, which benefits from a certain degree of autonomy in decision-making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations. An enterprise may be a sole legal unit.
- Enterprise group an enterprise group is an association of enterprises bound together by legal and/or financial links. A group of enterprises can have more than one decision-making centre, especially for policy on production, sales and profits. It may centralize certain aspects of financial management and taxation. It constitutes an economic entity, which is empowered to make choices, particularly concerning the units, which it comprises.
- Kind of activity unit (KAU) the kind of activity unit groups all the parts of an enterprise contributing to the performance of an activity at class level (four digits) of NACE and corresponds to one or more operational subdivisions of the enterprise. The enterprise's information system must be capable of indicating or calculating for each KAU at least the value of production, intermediate consumption, manpower costs, the operating surplus and employment and gross fixed capital formation.
- Local unit the local unit is an enterprise or part thereof (e. g. a workshop, factory, warehouse, office, mine or depot) situated in a geographically identified place. At or from this place economic activity is carried out for which save for certain exceptions one or more persons work (even if only part-time) for one and the same enterprise.

The methods used to implement the statistical units in the national statistical business register are as follows:

- Enterprise is formed of Legal unit/units. In SBR there are Enterprises=1LU and Enterprises=2 or more LU (complex enterprises). The complex enterprises are formed in accordance with the relations among members of the Enterprise Group. The relations are based on the production process, economic activities and auxiliary activities.
- Enterprise Group is formed with the relations based on ownership and control. The EG may be domestic EG, MNE with domestic control and MNE with foreign control.

- Kind of activity unit formation is based on the economic activities performed by the enterprise. KAU is created always when the turnover percent is greater or equal 10%. The old KAU continues to exist if its turnover in the current year is not 0.0. The KAU is discontinued when the old activity does not exists in the current year.
- Local Unit is part of an enterprise and it is formed based on the location and economic activity (it may be the same as the enterprise activity or it can be different).

## 3.6. Statistical population

The national statistical business registers shall be the authoritative source for deriving high quality and harmonised statistical business register populations for the production of European statistics in accordance with Article 8 to the EBS Regulation 2019/2152.

The statistical business register (SBR) is a fully and comprehensive, regularly updated and structured list of legal and statistical units engaged in the production of goods and services, which is maintained by the State Statistical Office for statistical purposes to assist the compilation of statistical data and particular as a (backbone) tool for the preparation and coordination of surveys, as a source of information for statistical analysis of the business population and its demography, for the use of administrative data, and for the identification and construction of statistical units.

The national statistical business register comprises the following units and applies the following thresholds (if any):

- · Legal unit, no threshold
- · Local unit, no threshold
- Enterprise, no threshold
- All-resident enterprise group, no threshold
- Truncated enterprise group, no threshold
- Multinational enterprise groups, no threshold
- Kind of activity unit, threshold is applied all activities forming more than 10% of the Enterprise turnover are recorded as KAU units in SBR

#### 3.7. Reference area

The reference area for national statistical business register is the territory of the country. Concerning enterprise groups any country outside the national territory may be relevant.

National SBR in RNM has information on statistical units on the country territory as well as name and country of all legal units abroad, part of the MNEs.

## 3.8. Coverage - Time

The national statistical business register was established in 2007.

The statistical units are implemented and maintained in the national statistical business register as follows:

- Enterprise group implemented and maintained since 2010.
- Enterprise implemented and maintained since 2007, complex enterprise since 2021.
- Local unit implemented and maintained since 2007.
- Kind of activity unit implemented and maintained since 2021.

#### 3.9. Base period

Not applicable.

# 4. Unit of measure

The economic variables on employment are recorded in absolute figures.

The net turnover is recorded in 1.000.000 of national currency units (MKD).

#### 5. Reference Period Top

The reference period for the annual copy of the national statistical business register is a calendar year.

An annual copy that reflects the state of the national statistical business registers at the end of the year is taken and kept for at least 30 years for the purpose of analysis.

The latest available copy of the national statistical business register consists of the final annual master frame for 2021 reference year.

In this annual copy, the economic variables (number of employees, turnover and economic activity) refer to the 2021 reference year, i.e. in the final frame, in sense of the annual copy of SBR, the reference year is one and the same for all

## 6. Institutional Mandate

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#### 6.1. Institutional Mandate - legal acts and other agreements

Legal acts and other agreements - EU level

- Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics;
- <u>Commission Implementing Regulation (EU) 2020/1197</u> 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.

Legal acts and other agreements - national level

- <u>Law on State Statistics</u> ("Official Gazette of the Republic of Macedonia" No. 54/97, 21/07, 51/11, 104/13, 42/14, 192/15, 27/16, 83/18, 220/18 and 31/20)
- Programme of Statistical Surveys 2018-2022 ("Official Gazette of the Republic of Macedonia" No. 22/18)

## 6.2. Institutional Mandate - data sharing

The <u>EBS Regulation (EU) 2019/2152</u> lays down provisions on the exchange of and access to confidential data for the purpose of the European framework for statistical business registers.

The <u>Commission implementing regulation (EU) 2020/1197</u> lays down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152, including technical specifications for the exchange of confidential data for the purposes of the European framework for statistical business registers.

At national level, the following agreements or procedures for data sharing and data exchange between national authorities have been established:

- Agreement on Cooperation between the Central Register of the Republic of North Macedonia and the State Statistical Office of the Republic of North Macedonia
- Agreement on Cooperation between the Pension Insurance and Disabilty Fund of the Republic of North Macedonia and the State Statistical Office of the Republic of North Macedonia

# 7. Confidentiality

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# 7.1. Confidentiality - policy

Regulation (EC) No 223/2009 (recital 24 and Article 20(4)) of 11 March 2009 (OJ L 87, p. 164) on European statistics stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.

The following policy rules are applied at national level:

• Individual data are protected by the Law on State Statistics. Data collected with statistical surveys from the reporting units or indirectly from administrative or other sources are confidential data and are used only for statistical purposes. Results from the statistical processing may also generate information considered as confidential, for example: anonymised individual data, tables with low level of aggregation, as well as unreleased data. The Policy on Statistical Confidentiality (<a href="https://www.stat.gov.mk/ZaNas\_en.aspx?id=32">https://www.stat.gov.mk/ZaNas\_en.aspx?id=32</a>) contains the basic principles used in the SSO.

# 7.2. Confidentiality - data treatment

According to policy rules (see section 7.1).

# 8. Release policy

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#### 8.1. Release calendar

The preliminary frames of the national statistical business register are released according to the statistical user needs, as follows:

□ T±2	months	to STS	domain:
1 1 + 2	months	10 212	domain:

- ☐ T+2 months to SBS domain;
- $\hfill\Box$  T+2 months to FATS;
- $\Box$  T+2 months to ITGS;

☐ T+2 months to ITSS;
☐ T+2 months to CIS (Community Innovation Survey);
☐ T+2 months to ICT survey;
☐ T+2 months to R&D
☐ T+2 months to (other domains).
The final frame of the national statistical business register is released in T+15 months.
9.2 Delegge gelenden gegeg

#### 8.2. Release calendar access

Not applicable.

#### 8.3. Release policy - user access

The statistical users get access to the SBR frames or receive required data in the following way:

- Makstat on-line data base (<a href="https://makstat.stat.gov.mk/PXWeb/en/MakStat/?rxid=46ee0f64-2992-4b45-">https://makstat.stat.gov.mk/PXWeb/en/MakStat/?rxid=46ee0f64-2992-4b45-</a> a2d9-cb4e5f7ec5ef)
- Upon data request from the users aggregated data

# 9. Frequency of dissemination

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The SBR preliminary frames are provided to statistical users with the following frequency:

- Preliminary frame: Monthly/quarterly Business demography for registrations and bankruptcies (legal units).
- Final frame: Annually

The final frame for a reference year T is available on annual bases in T+15 months. The annual copy is kept for 30 years for the purpose of analysis.

# 10. Accessibility and clarity

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## 10.1. Dissemination format - News release

Information based on the statistical business register is published in press releases as follows:

- News release "Number of active enterprises" annualy
- Business demography statistics annually

# 10.2. Dissemination format - Publications

Information based on the statistical business register is published as follows:

- Statistical Yearbook of the Republic of North Macedonia, 2022 (https://www.stat.gov.mk/PrikaziPublikacija\_en.aspx?id=34&rbr=862), annually
- North Macedonia in Figures, 2022 (https://www.stat.gov.mk/PrikaziPublikacija 1 en.aspx?rbr=854), annually
- Regions of the Republic of North Macedonia, 2022 (https://www.stat.gov.mk/PrikaziPublikacija\_1\_en.aspx? rbr=863), annually.

#### 10.3. Dissemination format - online database

Active Business Entities (Enterprises). http://makstat.stat.gov.mk/PXWeb/pxweb/en/MakStat/?rxid=53d20d8e-4c98-4f34-b5f7-3ff03ceb1301

#### 10.4. Dissemination format - microdata access

The NSI exchange microdata with the Commission (Eurostat) for the purposes of the European framework for statistical business registers.

The data and metadata are exchanged in electronic form and transmitted using the ESS data and metadata standards as specified by the Commission (Eurostat).

Anonymised micro-data are provided to researchers via secured environment according to the procedure for dissemination of confidential data for scientific purposes. The use of microdata is done in accordance with the Law on State Statistics (Article 41, Article 42 and Article 43). Access to anonymised microdata is defined by an internal procedure of the State

Statistical Office "Access to anonymised microdata for scientific research purposes" (https://www.stat.gov.mk/ZaNas\_en.aspx?id=22).

#### 10.5. Dissemination format - other

The aggregated data on national statistical business register are provided annually to Eurostat in electronic form and transmitted via EDAMIS.

Tailor-made data sets available on request for external users:

• SSORNM creates data sets on the requests of data users.

National statistical business register is the main source for the Business demography statistics that provide information for active enterprises in the business economy, the births, deaths and survival rates of enterprises, as well as information on related employment data. In the business demography domain, the business economy covers sections B to N, excluding activities of holding companies – K64.2 (NACE Rev.2).

#### 10.6. Documentation on methodology

<u>European business statistics methodological manual for statistical business registers – edition 2021</u> outlines the methodology to be used for the national statistical institutes.

The methodological notes are available on the web site of the State Statistical Office.

https://www.stat.gov.mk/MetodoloskiObjasSoop\_en.aspx?id=79&rbrObl=22

Also the Guidelines on Statistical Business Registers, UNECE, 2015:

https://www.unece.org/fileadmin/DAM/stats/publications/2015/ECE CES 39 WEB.pdf

#### 10.7. Quality management - documentation

ESS Data Quality Programme for statistical business registers is available on **CIRCABC**.

Annually SSO of RNM provides a National Statistical Business Register Quality Report to Eurostat.

# 11. Quality management

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#### 11.1. Quality assurance

The quality is assured by applying the following quality management and assurance procedures:

- The commitment of the SSO to ensuring quality of products and services is described in the Law on State Statistics, the Strategy of the State Statistical Office and the Quality Policy of the State Statistical Office, as well as in the continuous efforts for harmonisation with the European Statistics Code of Practice.
- In order to achieve a satisfactory level of quality, control on accuracy and quality of data in the SBR is performed permanently the following:
  - Initial control of the accuracy of the data is carried out during the updating of SBRs, so there is online logical control accuracy of data obtained from the Central Register Trade Register and the Register of other legal entities. Such control enable on-line control of the accuracy of data received from administrative data sources, for e.g. data on the organizational form, property, etc.
  - Logical control of data accuracy is performed also after updating (monthly/yearly) of SBR and in case of identified errors in the records, additional checks are performed in order to define correct data, after what manual correction is done.
  - The SBR team at SSO ensures that updates are timely, coherent and accurate. SBR team is conducting internal analysis and coherence checks on frame information. Used concepts, processes or coverage changes over time are documented. Also the quality of frozen frames is ensured before releasing to the statistical users. The IT systems and software needed for extracting data and data processing are properly programmed and optimized when needed.

#### 11.2. Quality management - assessment

The quality of statistical business register is monitored according the quality assurance procedure described in concept 11.1

The overall assessment results could be summarised as follows:

- Main strengths and weaknesses according to the standard quality criteria
  - Input phases (Timeliness and Accuracy): as weakness we could mention the completeness of data records of used administrative sources.
  - Processing phases (Punctuality, Accuracy, Accessibility and Coherence): as strengths we could mention the accuracy and coherence of data at processing phase.
  - Output phases (Timeliness, Accuracy, Accessibility and Coherence): as main strengths we could mention the accuracy (in terms of coverage and completeness), timeliness and accessibility of SBR output data for statistical users.
- Degree of EU harmonisation and standardisation is 80%.

- The important trade-off decision that had to be made is between timeliness and accuracy.
- Availability of information on all aspects of data quality in addition to the documentation mentioned in concept 11 and 12.1 no structured information available on all data quality aspects
- Quality improvements undertaken in past years IPA 2017 Improvement of the current Statistical Business Register (SBR)
- Quality improvements planned Further harmonization with the EBS requirements

12. Relevance

#### 12.1. Relevance - User Needs

SBR are important for the compilation of consistent and comparable European business statistics, establishing efficient statistical survey frames, providing identification numbers of all the units and for linking to many different sources, increasing statistical information and reducing the reporting burden on enterprises.

SBR are referred to as the 'backbone' in the production of economic statistics because they provide the core infrastructure to ensure data consistency between various statistical outputs.

The achievements of the statistical business register with regard to relevance is indicated in the following:

- The SSO Statistical Business Register is used as a framework (tool) for the preparation and coordination of all statistical surveys, where reporting units are business entities (enterprises or their local units), i.e. a sample selection framework for statistical surveys for business entities, for the preparation of address lists with address data for the business entities needed for realization of statistical surveys. SBR is also used as a source of information for statistical analyzes of the population of business entities and their demographics.
- · All users and uses are specially considered.
- The SBR processes are adapted when needed in accordance with the arising needs. The main re-engineering of SBR is done by external contractor under IPA 2017 project.
- With direct contact with statistical domains in SSO, we collect information on users needs.

#### 12.2. Relevance - User Satisfaction

Since 2017, Eurostat together with the EU Member States conducts SBR user survey addressing users and potential users of the national statistical business registers (NSBR) and the EuroGroups Register (EGR).

The latest SBR User Survey 2020 show that the NSBR are widely used at national level and users consider that its quality had been significantly improved in the recent years. Most of the NSBR users (97%) had either no issue or manageable issue regarding business registers coverage, units, variables, timeliness and frequency of frames.

The results of the SBR User Survey 2020 are available on CIRCABC.

SSORNM has not conducted special SBR user survey. Direct access to SBR data is not availbale only agregated data are created upon users request.

#### 12.3. Completeness

The completeness of national statistical business registers is annually assessed by Eurostat. The SBR assessment results are provided to EU Member States and EFTA countries and presented at the Statistical Business Registers Working Group (SBR WG).

Data completeness rate and missing variables or data in the national statistical business register are as follows:

- Concerning the units and variables required by the Regulation (EC) No177/08 of the European Parliament and Council, the SSO provides about 80% of them. Starting from the reference year 2021 the unit enterprise (E) which is different from the legal unit (LU), ie E = nLU and KAU (kind of activity unit) are introduced and for the first time the data will be prepared and sent to Eurostat in the QR 2023. These data are produced from the new logical design of the SSO Statistical Business register, and it is still in developing so the presented data should be treated as experimental data, they might be a subject of revision.
- Number of missing mandatory characteristics in the NSBR- Geographical location code is not maintained in SBR yet.
- Number of missing optional characteristics in the NSBR Two optional variables are missing for MNE Groups with GDC outside of the country: Number of persons employed globally; Consolidated global turnover.
- Number of missing conditional characteristics in the NSBR VAT number(s) of non-resident legal unit(s), which are controlled by the legal unit VAT number of the non-resident legal unit, which controls the legal unit.

# 13. Accuracy <u>Top</u>

# 13.1. Accuracy - overall

The main issues regarding accuracy of the data are as follows:

• Incompleteness of the data from the administrative source

The actions taken to reduce bias (if any) and to improve accuracy of the data are as follows:

- The accuracy of the data is ensured by taking measures to reduce the incompleteness of the data from the administrative source, as well as by additional comparison and analysis of the data before they are published
- The SBR at SSO covers all legal units registered on the territory of RNM and there is no any threshold for inclusion in its scope. The administrative part of SBR (including identification, demographic and economic characteristics to the legal unit) is updated monthly with information obtained from the Central register.
- The statistical part of the Register of statistical units (including identification, demographic and economic characteristics to statistical units) is updated based on information received from CR, PIOM, NB, and Central Depositary. The statistical part of the SBR is updated annually with monthly information on employees obtained from PIOM. SBR is annually updated with information from CR (Annual balance sheet data). For the reference year 2021, for the first time we have one enterprise consist of more than one legal unit.

## 13.2. Sampling error

Not applicable.

#### 13.3. Non-sampling error

Not applicable.

# 14. Timeliness and punctuality

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#### 14.1. Timeliness

Preliminary frames are available 2 months after the reference year T.

Final frame is available 15 months after the reference year T.

Outline the reasons for the time lag (if any).

#### 14.2. Punctuality

Aggregated data for the SBR final frame are provided annually to Eurostat according the deadline agreed by the Statistical Business Registers Working Group.

The SBR frames are provided on time to statistical users with regard to their needs and the agreed time frame, as follows:

- T+2 for the preliminary data
- T+15 for the final data

Outline the reasons for the delay (if any).

# 15. Coherence and comparability

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#### 15.1. Comparability - geographical

The geographical comparability of national statistical business registers is ensured by the application of common definitions of the statistical units laid down in the Council Regulation (EEC) No 696/93.

The SBR variables are harmonised and set up in accordance with the Annex VIII to the

Commission Implementing Regulation (EU) 2020/1197 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 on European business statistics. Further guidelines on the variables implementation in the national statistical business registers are given in the <u>EBS methodological manual for Statistical Business Registers (2021 edition)</u>.

There is geographical comparability of the released data at national and regional level, i.e data are comparable on NUTS 1 and 2 level (|Republic of North Macedonia) and NUTS 3 (regions). With respect to geographical comparability with other EU countries, it is also ensured because data are collected in line with EU regulations

#### 15.2. Comparability - over time

The comparability over time of the frames results from the information provided in concept 3.8.

Comparability of data is ensured starting from 2007, without any break in the time series. The number of reference periods in the time series is 14. From 2007 to 2009, all units in SBR were classified according to the National Classification of Activities - NKD Rev.1 (based on EU classification NACE Rev.1.1). In 2009, all SBR units were recoded from NKD Rev.1

to NKD Rev.2 (based on EU classification NACE Rev.2). During the period from 2007 to 2020 all units were double coded (NKD Rev.1 and NKD Rev.2). With respect to the alignment with the new European business statistics regulation (EBS), Regulation (EU) 2019/2152, and the harmonisation of the methodology for maintaining statistical units in the national Statistical Business Register (SBR), kept by the State Statistical Office of the Republic of North Macedonia, the data for the reference year 2021 have been prepared in accordance with the requirements of the new EBS Regulation as well as Commission Implementing Regulation (EU) 2020/1197.

For the first time, the SSO is publishing data on active enterprises (business entities), including complex enterprises that contain two or more legal units. The variables for the statistical units: enterprise, complex enterprise, local unit, and kind of activity unit have been updated in a way that enables a more precise definition of the economic activity status of the statistical unit in the reference year 2021.

Due to these methodological improvements, it will not be possible to compare previously disseminated yearly data from the Statistical Business Register with the current published data for 2021. The published preliminary data on active business entities (enterprises) for 2021 were the last to be produced according to the old methodology.

#### 15.3. Coherence - cross domain

The NSBR frame provides information on the active population of enterprises carrying out economic activities which contribute to the gross domestic product (GDP), the legal units of which those enterprises consist of, local units, kind of activity units and enterprise groups, incl. all-resident and multinational enterprise groups.

The national statistical business register is used by statistical users as a coordinated frame population in order to derive consistent statistical output.

## 15.4. Coherence - internal

The SBR data included in the final frame are internally consistent.

## 16. Cost and Burden

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Not available.

# 17. Data revision

# 17.1. Data revision - policy

Revisions of data are in accordance with the data revision policy of the SSO. <a href="https://www.stat.gov.mk/ZaNas\_en.aspx?id=25">https://www.stat.gov.mk/ZaNas\_en.aspx?id=25</a>

#### 17.2. Data revision - practice

Revision of data is done in a case when there are changes in the applied classifications (the National Classification of Activities, Nomenclature of territorial units for statistics, etc).

## 18. Statistical processing

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#### 18.1. Source data

The national statistical business registers is set up in accordance with EBS Regulation (EU) 2019/2152 using any relevant data sources while avoiding excessive burden on respondents and taking due account of the cost effectiveness of the NSAs.

NSI uses the following data sources, including a combination thereof for the national statistical business register:

- Centra Register Trade register and register of other legal persons
- Centra Register -Register of annual accounts and Consolidated Accounts
- Centra Register -Register on direct investments
- Pension and Disability Insurance Fund (PIOM) for data on employment
- National Bank of the Republic of North Macedonia
- Central Depository
- · Statistical surveys.

# 18.2. Frequency of data collection

The national statistical business registers shall be updated by means of entries and removals at least annually. The frequency of updating shall depend on the kind of unit, the variable considered, the size of the unit and the source generally used for the update.

The frequency of updating the units and variables in the national statistical business register is as follows:

- Legal units monthly and annualy
- Enterprises monthly and annualy
- Local units monthly and annualy

- Kind of activity units annually
- Enterprise groups annualy

#### 18.3. Data collection

Statistical business registers use data from administrative and statistical data sources, and from any other relevant sources that are comparable and compliant with the applicable specific quality requirements. For more details please see 18.1. Data from administrative sources are received in electronic way. Data from statistical sources are undertaken from statistical surveys conducted in SSO.

#### 18.4. Data validation

Statistical analysis of the national statistical business register is carried out to ensure the quality of data and frame populations provided to users.

Data validation procedures include:

In order to achieve a satisfactory level of quality, control on accuracy and quality of data in the SBR is performed permanently, as follows:

- Initial control of the accuracy of the data is carried out during the updating of SBR, so there is on-line logical control accuracy of data obtained from the Central Register Trade Register and the Register of other legal entities. Such control enable on-line control of the accuracy of data received from administrative data sources, for e.g. data on the organizational form, ownership, etc.
- Logical control of data accuracy is performed also after updating (monthly/yearly) of SBR and in case of identified errors in the records, additional checks are performed in order to define correct data, after what manual correction is done.

#### 18.5. Data compilation

Data compilation for SBR purposes is as follows:

- Monthly updating of the SBR Carried out on a way that data received electronically from data bases of the Central Register, Trade Register and the Register of other legal entities are uploaded in the SBR by using batch procedures.
- Annual updating Carried out when all available administrative data is received by SSO for one reference year.
- Data integration The process for delineation of statistical units starts with construction of ENT Groups and Complex enterprises (consisting of more than one legal unit), which includes:
- Processing of all admin sources which contain EG data;
- Processing of group delineation;
- Processing of groups with duplicated members;
- Processing of units that are not included in the group;
- Reconstructing of selected groups;
- Processing Complex ENTs in the scope of all Domestic EGs;
- Formation of input entities to register enterprise groups in the SBR database.

All other legal units, which are not part of EG are processed as simple ENTs. The final process is delineation of Local units and KAU. After finishing of the delineation of all statistical units, an annual process is initiated to check the continuation of the units comparing their status from the previous reference year. At the end, a frozen copy is generated for each type of statistical unit and the longitudinal SBR DB is updated in order to process all predefined outputs (BD, SBS, FATS, Annual output tables, etc.).

• Metadata administration - SBR enables experts to administer all metadata to the statistical register.

#### 18.6. Adjustment

Not applicable.

19. Comment

Data for 2021 are produced from the new logical design of the SSO Statistical Business register, and it is still in developing so the presented data should be treated as experimental data, they might be a subject of revision.

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Annexes