Production and sale of industrial products

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2 Metadata update

2.1 Date of last update	29.03.2023

3 Statistical presentation

3.1 Data description

The European Parliament and Council adopted the <u>European Business Statistics (EBS)</u> Regulation (EU) 2019/2152 on 27 November 2019, repealing 10 legal acts in the field of business statistics. Followed by the <u>Commission Implementing Regulation 2020/1197</u> laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152. The previous legal basis was Council Regulation (EEC) (No. 3924/91) of 19 December 1991 on the establishment of a Community survey of industrial production.

The survey is undertaken by the Statistical Office of the Slovak Republic on an annual survey of the value and volume of products produced and sold by industrial enterprises in the Slovakia during the reference year.

- Surveyed indicators according to the List of selected industrial products PRODSLOV, which is
 the Slovak national version of the PRODCOM list:
 production of industrial goods and services value and physical volume of production; VAT
 and excise duties are excluded,
- sales of industrial products and industrial services value and physical volume of sales; VAT and excise duties are excluded.

3.2 Classification system

List of selected industrial products PRODSLOV

PRODSLOV contains a 10-digit (XXXX XX YY ZZ) numeric <u>code of the item with the following</u> structure:

XXXX = 4-digit SKNACE code (NACE, Rev.2)

XXXX XX = 6-digit **KP** code **(CPA)**

XXXX XX YY = 8-digit **PRODCOM**code

XXXX XX YY ZZ = 10-digit code **PRODSLOV**

ZZ - indicates a more detailed breakdown of the PRODSLOV item according to the needs of national specifics. If there are zeros in these positions, the code fully corresponds to the PRODCOM code. Otherwise, it is a supplemented national item PRODSLOV.

3.3 Sector coverage

Industry includes activities connected with mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply, sewerage, waste management and remediation activities (divisions 05-39 of statistical classification NACE Rev.2).

3.4 Statistical concepts and definitions

Production of industrial products and services – includes the production of products (industrial services) in units of measure and in value expression in EUR. This includes the production of products for sale outside the enterprise, as well as the production of products that are consumed for production purposes (internal consumption) and industrial services - modifications, repairs, maintenance, assembly, paid work, which are intended for sale outside the company. Products and industrial services are valued at prices agreed between the buyer and the seller without VAT and excise duty or on the basis of economically justified costs and a reasonable profit. The value of some products is valued at regulated prices. If the product (also applies to electricity) is produced for internal consumption, it is valued at cost.

Sales of industrial products and services – includes the sale of own industrial products (industrial services) in units of measurement and in value terms in EUR, which were produced (provided) in the given enterprise regardless of the period and sold in the reference year. It is reported without VAT and excise duty.

Subcontracting

To identify subcontracting relationships have been included in the List of selected industrial products PRODSLOV so-called subcontracting codes ending with the double numbers 78 and 79, respectively 88 and 89.

A subcontracting relationship can only arise between two different enterprises. The supplier is the owner of the basic material, which he provides to the subcontractor free of charge. The subcontractor transforms the supplied basic material into a new product or changes the characteristics of the supplied material and returns it to the supplier, who sells it on the market. We distinguish:

- subcontracting of finished products (a new product is created which is returned to the supplier so-called wage work) - codes ending in 88 are reported by the supplier, codes ending in 89 are reported by the subcontractor
- subcontracting (provision) of industrial services (no new product is created; the characteristics
 of the basic material supplied are changed so-called works of a manufacturing type) codes
 ending 78 are to be reported by the recipient of the industrial service, codes ending 79 are to
 be reported by the provider of the industrial service

3.5 Statistical unit

The enterprise is the statistical observation unit as well as the reporting unit.

3.6 Statistical population

The reporting obligation of Priem 6-01 has enterprises registered in the Business Register, profit-oriented contributory organizations and public institutions with 20 or more employees and organizations with 0 to 19 employees with annual turnover of EUR 5 million or more, which are kept in the register of organizations of the Statistical Office of the Slovak Republic, with the main

industrial activity according to the Statistical Classification of Economic Activities (SK NACE). Furthermore, they are selected organizations regardless of the industry activity and the category of the number of employees for which there is a significant volume of production of industrial products.

The non-industrial enterprises are included if their value of production of a particular product is more than 50% of the average output for enterprises classified to the relevant NACE Class to which that product is typically related.

The reporting units are residents at the territory of the Slovak Republic and provide data on their domestic activities and activities outside, if the activities carried out are of a subject of the tax and other duties in relation to Slovak legislation.

3.7 Reference area

All regions of the Slovak Republic are covered by the survey.

3.8 Time coverage

In the <u>Datacube</u> database, data are available from the reference year 2001.

3.9 Base period

Not applicable.

4 Unit of measure

Production and sales data of selected industrial products are monitored in units of measure (prescribed in the PRODSLOV List, resp.PRODCOM List) and in value expression (in EUR).

5 Reference period

The reference period is calendar year.

6 Institutional mandate

6.1 Legal acts and other agreements

This survey is carried out in compliance with following regulations:

At the EU level: The European Parliament and Council adopted the <u>European Business Statistics</u> (EBS) Regulation (EU) 2019/2152 on 27 November 2019, repealing 10 legal acts in the field of business statistics. Followed by the <u>Commission Implementing Regulation 2020/1197</u> laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152. The previous legal basis was Council Regulation (EEC) (No. 3924/91) of 19 December 1991 on the establishment of a Community survey of industrial production.

At the national level: The reporting obligation to submit statistical questionnaires by entities arises from the Act No. 540/2001 Coll. on State Statistics, as amended (Article 18 (3)) and it cannot be refused (Article 18 (8)). The Statistical Office of the Slovak Republic is responsible for the protection of confidential data obtained and guarantees its use solely for statistical purposes. Statistical Survey Priem 6-01 is a part of the Program of State Statistical Surveys published for a three-year period in the Collection of Laws of the Slovak Republic.

6.2 Data sharing

Statistical information from SOSR's surveys is a source for fulfilling the obligations of the Slovak Republic resulting from the requirements of the European statistical system, the requirements of international institutions, to ensure the needs of the information system of the Statistical Office of the Slovak Republic. Statistical information are regularly provided to international and national organizations (Eurostat, National Bank of SR) or irregularly to other users.

7 Confidentiality

7.1 Confidentiality - policy

The Statistical Office of the Slovak Republic is responsible for the protection of confidential data obtained and guarantees their use exclusively for statistical purposes. In accordance with the Act on State Statistics No. 540/2001 Coll. §2g and §30, the SO SR may not publish confidential statistical data, but only information resulting from the aggregation of confidential statistical data, which does not allow direct or indirect identification of the reporting unit.

The Statistical Office of the Slovak Republic has introduced principles and procedures for the protection of confidential data in internal directives and instructions. The directive on the protection of confidential statistical data regulates the method of management and implementation of activities related to ensuring the protection of confidential statistical data in the Statistical Office of the Slovak Republic. The internal methodological instruction of the Statistical Office of the Slovak Republic regulates specific methods and parameter values used in the protection of confidential statistical data of individual statistical surveys and data sets.

7.2 Confidentiality - data treatment

We apply the principle of active confidentiality. Data are only published if they are not confidential, i.e. confidential cells are suppressed from publication. The data allowing direct or indirect identification of individual enterprise can be published under written permission of all related subjects. (We apply the rule of primary confidentiality: data cell for less than 3 enterprises is protected.)

Confidentiality treatment (including release of conf data) applied in line with the 2016 Grant results. The Statistical Office of the Slovak Republic has asked selected enterprises for agreement to publish their data in volume units.

8 Release policy

8.1 Release calendar

Data are not subject to publication in the Release calendar.

8.2 Release calendar access

Not relevant.

8.3 User access

The Policy on dissemination is defined in accordance with the Act on State Statistics, the development strategy of the Statistical Office of the SR, the information dissemination strategy of Eurostat and European Statistics Code of Practice.

The SOSR's web portal and the online database Datacube of the SOSR are updated in

accordance with the Principles of the policy of publication and provision of statistical information.

9 Frequency of dissemination

Annual.

- Data on PRODCOM products are transmitted to Eurostat till the June 30. after the reference
- Data according to the List of Selected Industrial Products PRODSLOV are distributed to users (national and foreign) after their publication in the DATAcube database (by the end of July after the reference period).

10 Accessibility and clarity

10.1 News release

Not relevant.

10.2 Publications

- Results of annual surveys on industry of the Slovak republic, production and sales of selected goods
- Yearbook on Industry
- Statistical Yearbook of the SR

10.3 On-line database

DATACUBE

10.4 Micro-data access

Users are provided with aggregated data, microdata are not published.

10.5 Other

International and national organizations have also defined their own specific data requirements, which are provided mainly for the National Bank of Slovakia under the annually Framework agreement on mutual cooperation in the provision of statistical data and statistical information between the SOSR and the National Bank of Slovakia, ministries, associations and others.

10.6 Documentation on methodology

Statistical questionnaires including methodological guidelines and explanations of variables and methodological explanations within the Glossary of the statistical terms are published on the web portal of the SOSR. Each publication contains methodical explanations and a contact for the information service of the SOSR.

10.7 Quality documentation

Following internal project documentation exists for the compilation of statistical outputs:

- technical projects within the Integrated Statistical Information System called ISIS
- methodological guidelines for applying mathematical-statistical methods for statistical surveys
- methodological guidelines for quality indicators of statistical outputs and statistical processes.

11 Quality management

11.1 Quality assurance

The Quality policy is defined and publicly accessible in the Quality Declaration and Quality Policy documents. The Quality Declaration expresses the basic ideas and commitments of the President and top management of the SOSR for the Quality Policy as well as increasing efficiency and effectiveness of the integrated management system of the SOSR.

Quality Declaration

Quality policy is based on the mission of the Statistical Office of the Slovak Republic: to provide high quality and objective statistical products and services by keeping confidentiality of statistical data and by minimising burden on interested parties using effectively existing resources with the aim to support improvement of the information and intellectual capital of our customers. In this way we want to contribute to reduce risks and improve effectiveness in their decision making processes and so to support the sustainable development of the Slovak Republic as the part of EU. Quality policy

The Quality manual describes the documented procedures of the quality system that are used for implementation and continuous improvement of the quality management system in SOSR. It contains a description of the quality management system and the fulfillment of requirements ISO 9001 standards. Application of the manual in practice ensures that all activities that have an impact on the quality of the products created are planned, managed, reviewed, evaluated and meet requirements.

Quality manual

The European Statistics Code of Practice is the basis of the common quality framework of the European Statistical System. It is a self-regulatory tool and it is based on 16 Principles covering the institutional environment, statistical processes and statistical outputs. A set of indicators of best practices and standards for each of the Principles provides guidelines and benchmarks for reviewing the implementation of the Code of Practice, thus increasing transparency within the European Statistical System.

European Statistics Code of Practise

11.2 Quality assessment

Coverage, reference period, data collection, control and data processing are in line with the Eurostat methodological guidelines. The data collection process is conducted in the Integrated statistical information system called ISIS. SOSR creates technical projects of the statistical surveys describing data collection and its evaluation, including a description of statistical controls and algorithms within the integrated ISIS. The data collection process is ensured by the regional offices of the SOSR during the phase of electronic data collection, ensure using statistical controls and algorithms the data collection process itself. Data validation is done during the data collection, processing and validation of relevant data by the SOSR experts. A data comparison is done with previous periods. Statistics

are available in the system to evaluate the quality of the completed questionnaires, the number of questionnaires with errors or outliers, the number of reminders, etc. SOSR also performs internal methodical audits. Evaluation of statistical surveys and methodical audits including the analysis of the results are integrated into the existing quality management system.

12 Relevance

12.1 User needs

The requirement to conduct consultations with users of statistical information is stipulated in the Act on State Statistics itself. Consultations during the preparation of state statistical surveys take place within the framework of the preparation of the Program of State Statistical Surveys (PSSZ). PSSZ is a generally binding legal regulation compiled by the SOSR in collaboration with ministries, other central authorities and state organizations and contains statistical surveys organized and carried out by the SOSR, ministries, other central authorities and state organizations. SOSR publishes the Program of state statistical surveys by decree in the Collection of Laws of the Slovak Republic. The Coordinating Council for State Statistics ensures the fulfilment of the tasks of the SOSR. Key users of specific statistical products are listed in the Marketing Plan (e.g. international organizations - Eurostat, OECD, UN and national institutions - National Bank of Slovakia, etc.).

12.2 User satisfaction

Since the 2009, SOSR carries out satisfaction surveys of customers with their products and services at two-year intervals. The goal of surveys is to determine customer satisfaction with the products and services of the SOSR, to obtain information about users, their interest and opinion on provision and quality of statistical products and services. The facts obtained are a valuable resource for the direction of other activities of the SOSR. One of the main goals defined in the Development Strategy. The goal of the SOSR until 2022 is to systematically increase the value of the institution and its recognition at the national and international level. The office also monitors the fulfilment of the stated goal with the help of indicators of the credibility of the SOSR and the rate of use of the information provided by the public. SOSR conducts credibility surveys through an external independent organization once every 2 years, with the intention of ensuring the objectivity and indisputability of the results from public view. Credibility survey

Satisfaction survey

12.3 Completeness

Time series of indicators in accordance with the regulation are available from 2001 in Datacube.

13 Accuracy and reliability

13.1 Overall accuracy

Overall accuracy is considered very good. SOSR makes great efforts to prevent the occurrence of errors in the data and performs data verification to detect the errors. Most errors are directly consulted at regional offices with the reporting units.

13.2 Sampling error

Not relevant. The survey is exhaustive.

13.3 Non-sampling error

The electronic questionnaire and information system ISIS itself provides many arithmetic and logical checks between variables, which we distinguish between serious and informative. Data collection is provided by the office of the SOSR in Banská Bystrica. After the deadline for submission of the statistical questionnaire, the reporting units that did not respond are contacted again to fulfil their legal obligation. In case of serious errors in the form, this form is not accepted and with the help of experts from the regional office its correctness is ensured so that it can enter into the data processing. Automatic validation checks during data collection and informative checks are incorporated with the aim to follow logical checks, reducing the rate of partial non-responses, anomalies and outliers. The purpose of this process is to minimize errors already in the data collection itself and subsequently during data processing. The basic step in the process of calculating unit non-response is the analysis of the population with regard to the state of activity of the reporting units. For this purpose, we use a specific classification of responses and non-responses codes. Individual codes describe active and inactive units and are assigned to each reporting unit. Subsequently, we determine the population of active units entering the data processing.

Response rate for the reference year 2021 is 96,6%.

14 Timeliness and punctuality

14.1 Timeliness

Data dissemination in the public database Datacube is in accordance with the set up deadlines. Statistics on industrial products are published by the end of July after the reference period. The transmission of data to Eurostat shall be made by 30 June following the reference period.

14.2 Punctuality

Publication deadlines were met.

15 Coherence and comparability

15.1 Comparability - geographical

The indicators production and sales of products are compiled for the entire territory of the Slovak Republic.

15.2 Comparability - over time

The result of an extensive revision of the NACE and CPA classifications in 2007 was also the recoding of the PRODCOM list, respectively List of selected industrial products PRODSLOV. Data for product statistics are comparable:

- from year 2001 to 2007 (NACE Rev.1.)
- from year 2008 to the present (NACE Rev.2)

15.3 Coherence - cross domain

Cross-checks are made between SBS, external trade and STS at micro and macro level. We realise next types of comparison analysis:

- comparison in time and different sources: total amount of all products in questionnaire by value is compared with the results from the same questionnaire with other indicator "sales" surveyed by activity from annually SBS survey
- comparison in time: amount of each product is compared with average amount of all same products surveyed by all enterprises
- comparison with different sources: with the results from aggregation from monthly surveys to annual data

The cases with differences are further analysed and corrected, if necessary. The value of production for all the products in the same 4-digit NACE class are summed and compared with national turnover in that class according Structural Business Statistics.

15.4 Coherence - internal

There are no deviations, the statistical outputs are internally consistent.

16 Cost and burden

SOSR regularly monitors the cost and burden of reporting units. As part of the optimization of statistical surveys, it takes measures aimed at reducing their burden. In the Priem 6-01 survey, each reporting unit has personalised pre-filled product codes and product names according to the PRODSLOV list.

The cost and burden measurement at the level of European Statistical Products is in competence of the Resources Directors Group within Eurostat.

17 Data revision

17.1 Data revision - policy

The Revision policy regulates the general rules and procedures applied in revisions at the SOSR. The same revision policy applies to national and international users. In accordance with the Revision policy, the reason of the revision is always indicated. The Revisions policy as well as the Revisions calendar is available to users on the web portal of the SOSR.

Policy and calendar of revisions of the SOSR

From the content point of view, the reason for the revision is considered:

- incorporation of better quality data based on a more complete source, including replacing imputations with collected data.
- correction of data as a result of updating seasonal factors and changing the base period,
- data modification based on more accurate methodology (in concepts, definitions and classifications) and changes in statistical methods,
- performing corrections in source data and calculations.

In terms of time, SOSR divides the revisions into:

- Ordinary revisions are revisions without significant modifications of the methodologies.
 These are usually more significant data corrections, including large values obtained from new sources. They are carried out periodically on precisely set up dates, to update monthly and quarterly data, until the next publication of the data.
- Annual revisions are revisions that are made when all monthly and quarterly data are available and more detailed results from annual surveys are already available.
- Extraordinary and major revisions are revisions of definitive data due to significant
 methodological changes resulting from revision of methodologies, changes in procedures and

statistical-mathematical calculation methods or data corrections. An extraordinary revision may result (e.g. by changing the definition) in break in time series data comparability.

17.2 Data revision - practice

The main source of information for routine revisions are new or revised data from reporting units. The data are considered definitive on first publication and are usually not subject to revision. In the event of any revision (also in previous years), a note is placed in the databases and in the relevant publications of the SO SR, indicating that the data have been revised.

18 Statistical processing

18.1 Source data

A exhaustive survey by the List of selected industrial products PRODSLOV.

The reporting obligation of Priem 6-01 has enterprises registered in the Business Register, profit-oriented contributory organizations and public institutions with 20 or more employees and organizations with 0 to 19 employees with annual turnover of EUR 5 million or more, which are kept in the register of organizations of the Statistical Office of the Slovak Republic, with the main industrial activity according to the Statistical Classification of Economic Activities (SK NACE). Furthermore, they are selected organizations regardless of the industry activity and the category of the number of employees for which there is a significant volume of production of industrial products.

The non-industrial enterprises are included if their value of production of a particular product is more than 50% of the average output for enterprises classified to the relevant NACE Class to which that product is typically related.

18.2 Frequency of data collection

Annual.

18.3 Data collection

The regional office of the SOSR in Banská Bystrica is responsible for data collection. From January 1, 2016, reporting units (legal entities, natural persons - entrepreneurs) are required to electronically submit statistical reports in accordance with the amendment to Act No. 540/2001 Coll. on state statistics as amended by Act no. 326/2014 Coll., which contains new rules for submitting statistical questionnaires.

The completed statistical questionnaire must be submitted electronically by 31 March following the year under reference on the website www.statistics.sk. In the event that the reporting unit has not submitted the electronic questionnaire, it is contacted by the relevant regional office of SOSR.

18.4 Data validation

The data entry, data completeness and statistical control are organised by specialised regional offices of the SOSR.

SOSR distinguishes between two levels of data checks:

- **Formal checks**, which are realised in the process of data entry automatically; (compatible with Validation level 0 and 1)
- **Informal checks** aim of which is to control the complexity and relations among the variables (compatible with Validation level from 2 to 5).

According to the importance there are classified 2 basic types of checks:

- **I—Informative checks** this check gives the additional information, which is important for the following process of corrections. It informs also about some inconsistencies in the state of fulfilment of the questionnaire, about item non-response, exceeding stated limits, etc.
- **Z–Check of great importance** it is mostly check indicating the exact error and it must be always corrected or explained.

Most of the errors are directly consulted with the reporting units by our regional offices.

18.5 Data compilation

Non-response for active reporting units is corrected by data imputation.

18.6 Adjustment

Not relevant.

19 Comment