MONTENEGRO

STATISTICAL OFFICE

METHODOLOGICAL EXPLANATIONS

BUSINESS DEMOGRAPHY

	METHODOLOGICAL EXPLANATIONS	

Podgorica, May 2024

CONTENT

The legal basis for processing, preparation and dissemination of the data on business demography is Regulation (EC) No.295/2008 of the European Parliament and of the Council of 11 March 2008 concerning structural business statistics (Annex IX).

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Sources of data collection

The main source of data on business demography data in Montenegro is the Statistical Business Register which is kept in Statistical Office, pursuant to the Law on Official Statistics and Official Statistical System.

Definitions

Statistical Business Register is a set of data on legal units (business entities) and statistical units. The main data source for keeping and maintaining the Statistical Business Register (SBR) is the Central Register of the Business Entities which is responsible for the registration of legal persons and their organizational units, natural persons as well as tax office.

Business entities are legal and natural persons that perform some activity on the territory of the Republic of Montenegro, previously registered by a competent authority in accordance with the law.

Business entities are the basis for creating and updating of statistical unit - enterprise.

Legal persons are all forms of legal structures which are organized according to the regulations of the country (trade companies, institutions, associations, and other organizations) with established rights and obligations, and which obtain a status of legal persons on the day of their registration in an appropriate competent register.

Natural persons are entities (independent performers of activities, craftsmen, sole proprietors) that have rights and obligations, and their status of legal (business) entity is recognized on the basis of the existing legal regulations.

Statistical units are the units that are created only according to statistical criteria (for statistical purposes).

Enterprise is the basic statistical unit, and the smallest combination of legal units i.e. it is an organizational unit, producer of goods and services, which has a certain degree of autonomy in decision-making, especially for the allocation of its current resources (EU Regulation (EEC) No 696/93 on statistical units).

Population of active enterprises consists of those enterprises that have either turnover and/or employment at any time during the reference year.

Main activity is the activity that has the highest share in the structure of income of the enterprise accrued by performing its activities.

Enterprises births and deaths are basic demographic events.

Enterprise birth is an independent event affecting only one enterprise in the population of active enterprises and involves a creation of a new combination of factors of production. Events such as mergers, break-ups, take-overs, split-offs are excluded from the process of creation of a newly born enterprise. A reactivation of an enterprise that has been dormant for a period of less than two years is also not considered as an enterprise birth. New enterprises are identified by comparing the population of active enterprises in reference year xx with the population of active enterprises in year xx-1 and the population of active enterprises in year xx-2.

Enterprise death represents the dissolution of a combination of production factors with the restriction that no other enterprise is involved in the event. Events such as mergers, break-ups, take-overs, split-offs are excluded from enterprise deaths, as well as reactivations of enterprises that have been dormant for a period of less than two years and restart their activity. Enterprise deaths are identified by comparing the population of active enterprises in reference year xx with the population of active enterprises in year xx+1 and the population of active enterprises in year xx+2.

Reference year is the year for which the population of active enterprises, enterprise births and enterprise deaths is calculated.

Surviving enterprise is the enterprise born in year xx or having survived to year xx from a previous year and is active, i.e. has turnover and/or employment in the next year - xx+1.
The population of surviving enterprises is identified by comparing the population of newly born enterprises and surviving enterprises in year xx with the population of active enterprises in year xx+1.

Scope

Business demography includes population of active enterprises whose main activity according to the National Classification of Activities - NKD Rev.2 belongs to the sectors:

B - Mining and quarrying;
C - Manufacturing;
D - Electricity, gas, steam and air conditioning supply;
E - Water supply, sewerage, waste management and remediation activities;
F - Construction;
G - Wholesale and retail sale trade; repair of motor vehicles and motorcycles;
H - Transportation and storage;
I - Accommodation and food service activities;

J - Information and communication;
K - Financial and insurance activities (without class 64.20-Activities of holding companies);
L - Real estate activities;
M - Professional, scientific and technical activities;
N - Administrative and support service activities;
O - Education;
Q - Human health and social work activities;
R - Arts, entertainment and recreation;
S - Other service activities.

Besides the class 64.20, also excluded are enterprises that according to their main activity belong to the following sectors:

A - Agriculture, forestry and fishing;
O - Public administration and defence; compulsory social security;
T - Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use;
U - Activities of extraterritorial organizations and bodies.