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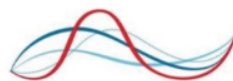


Mini-Presentation for Output on
Warehousing and Storage (ISIC 52.10)

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CONTENTS

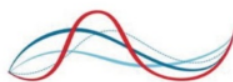
- Introduction
- Description of the services industry
- Market conditions and constraints
- Output measurement
 - General framework
 - Output measurement
 - Measurement issues
 - Evaluation of comparability of output data with Price data
- Evaluation of measurement



Introduction

2017 – Monthly Survey on Turnover in Services

- Monthly disseminated at the division level, for H 52
- Monthly Report on Service Activities and administrative data sources (databases of value added tax reports)



Description of the service industry

- Warehousing and storage industry includes the operation of storage and warehouse facilities for all kinds of goods (grain silos, general merchandise warehouses, refrigerated warehouses, storage tanks, etc.), the storage of goods in foreign trade zones, and blast-freezing
- All type of warehousing industries have: storage services, handling services and value added services
- Closely connected to transportation and logistics services
- Warehousing and storage is a quite small service according to the share of turnover and the number of enterprises within non-financial services



Market conditions and constraints

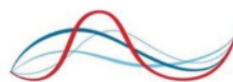
Share of **H 52** in **non-financial services** (sectors G, H, I, J, L, M, N and S, division 95, NACE Rev. 2), 2018

NACE Rev. 2 code	Number of businesses	Turnover	Number of persons employed
52.10 Warehousing and storage	0.1%	0.4%	0.3%
52.21 Service activities incidental to land transportation	0.4%	2.8%	2.7%
52.22 Service activities incidental to water transportation	0.2%	0.3%	0.3%
52.23 Service activities incidental to air transportation	0.04%	1.6%	0.8%
52.24 Cargo handling	0.02%	0.4%	0.5%
52.29 Other transportation support activities	0.6%	2.2%	1.2%
52 Warehousing and support activities for transportation	1.3%	7.7%	5.8%

Small industry

Generated total turnover 7.7% of

Source: Structural Business Statistics, 2018, CBS



Market conditions and constraints

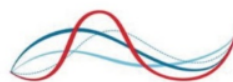
Distribution of turnover, enterprises and persons employed for section H in Croatia, 2018

NACE Rev. 2 code	Activities	Turnover	Number of enterprises	Number of persons employed
		In %	In %	In %
H 49	Land transport and transport via pipelines	49.6	56.3	52.8
H 50	Water transport	7.9	5.2	5.5
H 51	Air transport	c	1.3	1.3
H 52	Warehousing and support activities for transportation	32.2	25.0	27.1
H 53	Postal and courier activities	c	12.3	13.3
Total	Section H – Transportation and Storage	100.0	100.0	100.0

The strongest division in Section H

The second largest division in Section H

Source: Structural Business Statistics, 2018, CBS



Market conditions and constraints-cont.

NACE Rev. 2:

52.10 Warehousing and storage

52.21 Service activities incidental to land transportation

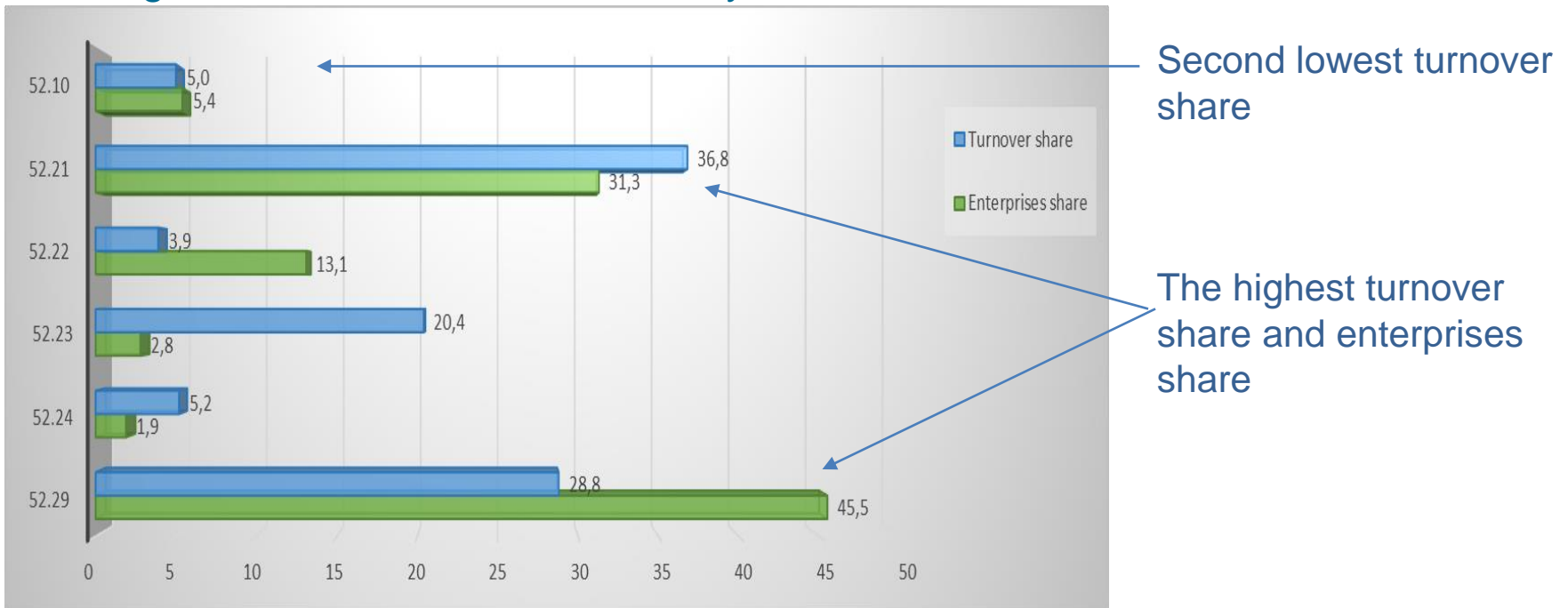
52.22 Service activities incidental to water transportation

52.23 Service activities incidental to air transportation

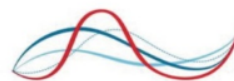
52.24 Cargo handling

52.29 Other transportation support activities

Coverage of statistical units for H 52 by NACE Rev.2 classes of activities

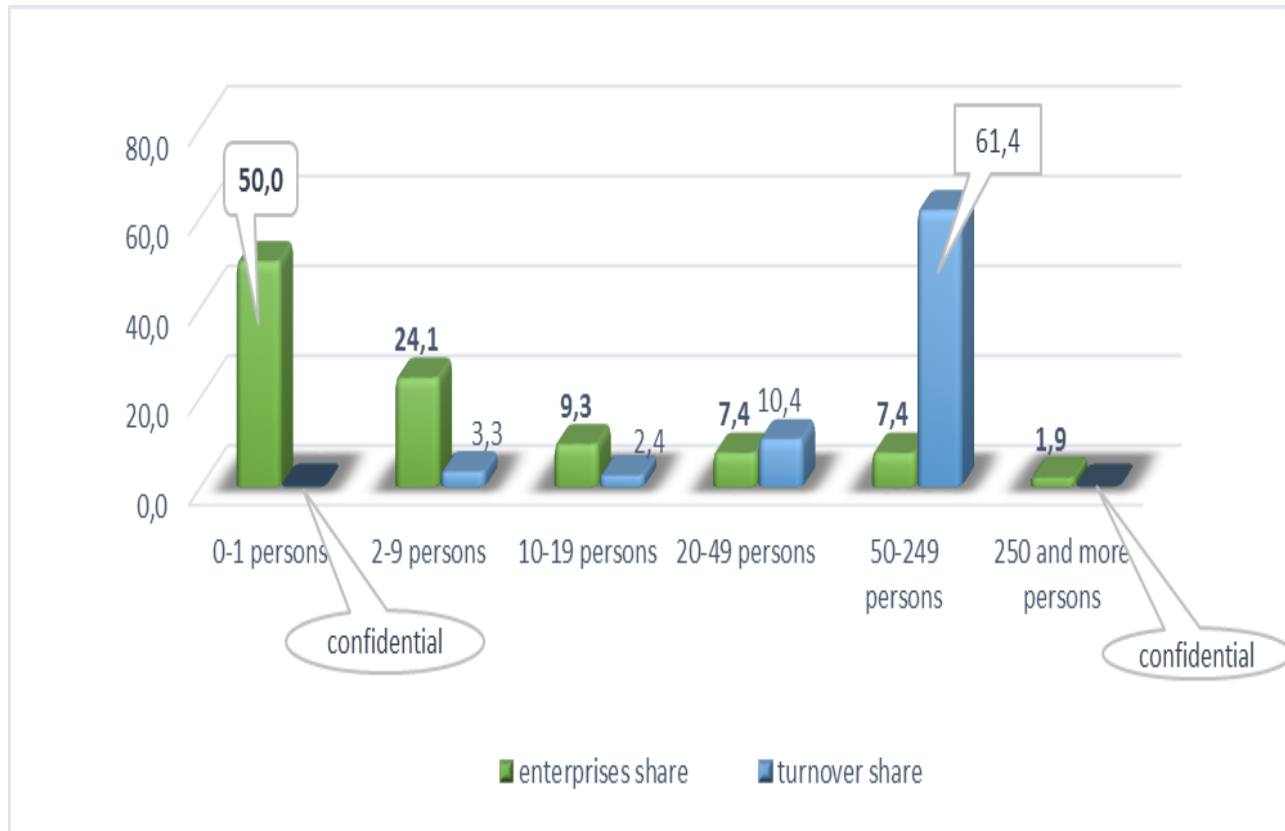


Source: Structural Business Statistics, 2018, CBS



Market conditions and constraints-cont.

Distribution of active enterprises by number of persons employed for H521

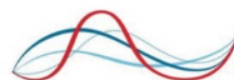


Micro and small-sized enterprises - over 83% of enterprises share

Medium-sized enterprises earn the biggest share of the group turnover

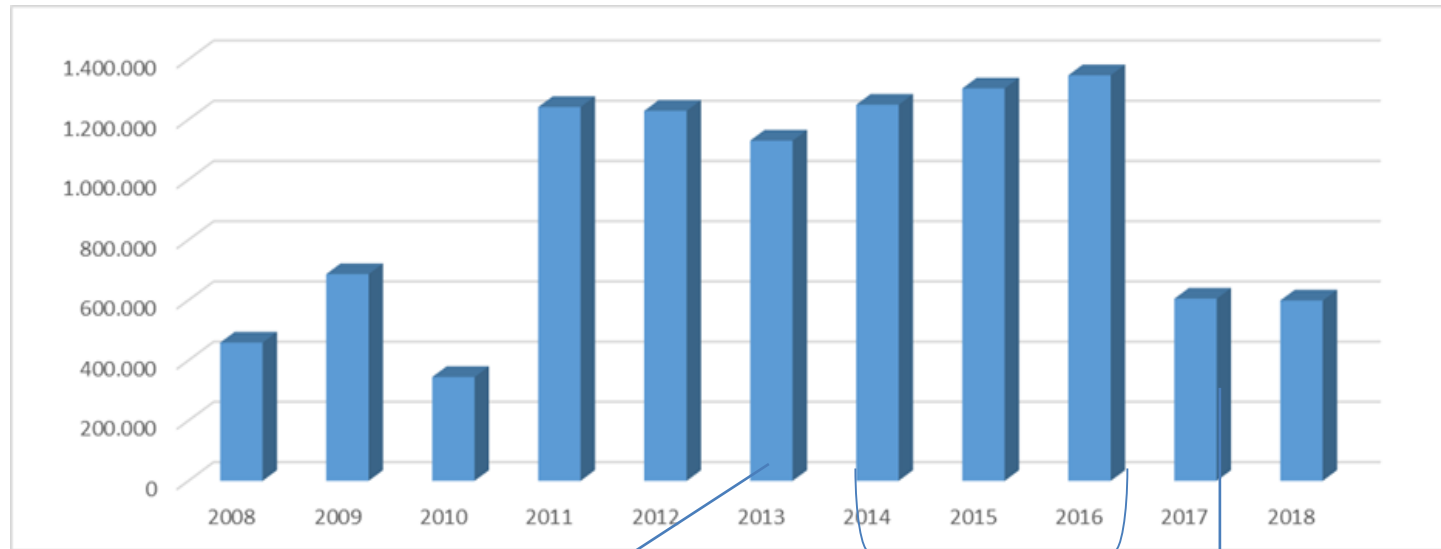
Only one large enterprises

Source: Structural Business Statistics, 2018, CBS



Market conditions and constraints-cont.

Annual revenue growth of NACE class 5210 in Croatia, 2008 – 2018, thousand kuna



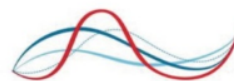
Source: Structural Business Statistics, 2008 – 2018, CBS

Joining the single market;
strengthening their
competitiveness by cutting
costs sharply and making the
most of resources

Increased slowly

Significant decline in
turnover;

- changing the main
activity of one large
enterprise (from H5210
to G 4690)



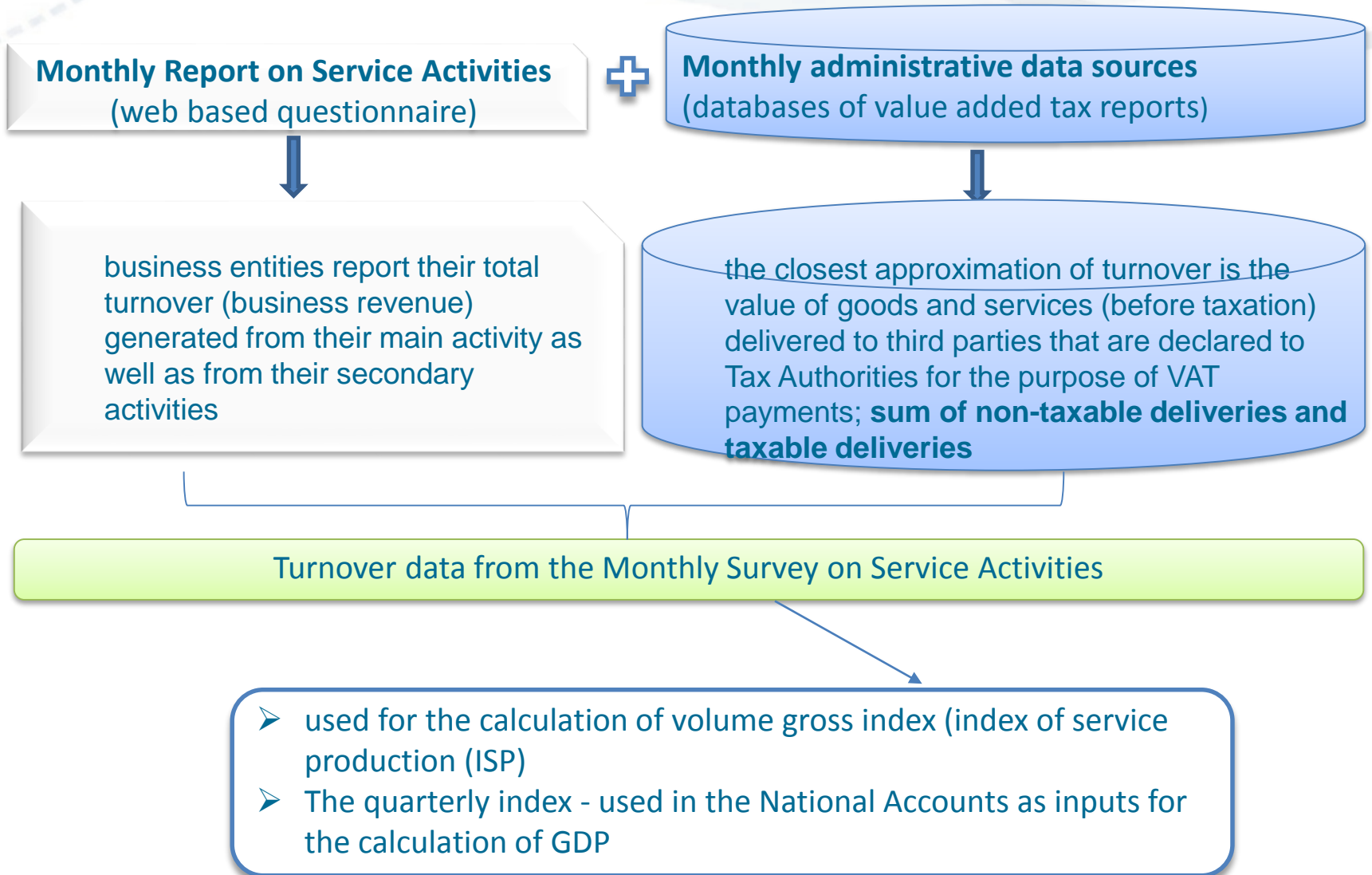
Market conditions and constraints - trends

- The **bundling of services** has become common for this service industry - provide more attractive and effective services to the customer (e.g. cargo handling and warehousing, transportation and warehousing or wholesale and warehousing).
- Efficiency, optimization, digitalization, speed and timing
 - Modern technological solutions and the WMS system
 - Internet of Things

Market conditions and constraints - trends

- The trend of outsourcing logistics operations is increasingly prevalent
 - in Croatia about 30% – 40% of logistics services are allocated and given to logistics companies (outsourcing)
- **B2B**
 - the main consumers are manufacturers, wholesalers and retailers

Output measurement - General framework

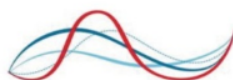


Output measurement- Measurement issues

- ***Selection of the set of observational units:***
- **All large and medium** enterprises from the Statistical Business Register are included
- **small units** - threshold is set to 3.5 million kuna

- ***Selection of the units to be observed in the field survey:***
- for each NACE division (2-digit code) - 50% of total turnover in division

- The total sample for H 52 consists of **245** units, of which **20** are included in the regular Monthly Report on Service Activities (USL-M form)



Measurement issues-cont.

Sample frame construction

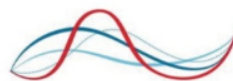
- their main activity is Warehousing and support activities for transportation activity (2-digit NACE code H 52)
- they have at least one employee
- their turnover is not 0

Compilation of Service Turnover - based on the industry approach

Estimation of indices

Indices according to the same month of the previous year are calculated directly from microdata

All other indices are obtained by chaining procedures



Evaluation of comparability of Output data with Price data

- 2009 - development of SPPI for class H 5210 Warehousing and storage
- Since the third quarter of 2011 - series have been transmitted to Eurostat within the t+90 days deadline
- The sample is based on the cut-off method and covers 90% of the turnover
- From 2020 - conducted through the web-based application for SPPI
- For now in Croatia only SPPI for 5210 and 5224 was developed
- Methodology used for the compilation of SPPI in Croatia is based on the product approach
- Preparations for FRIBS (Framework Regulation Integrating Business Statistics) -the whole 2-digit level industry ISIC 52 is part of FRIBS

Evaluation of measurement

- The main difficulties and challenges dealing with VAT data for statistical purposes were as follows:
 - Changes in legal regulation of VAT, data records structure etc.
 - Changes in data records structure
 - Negative values
 - Deadline for receiving monthly data
 - Deliveries recorded in the value added tax databases may differ from the definition of turnover applied in statistical survey, which affects the comparability of data (data records on deliveries of machinery and equipment (sale of own property) which are declared for taxation purpose by VAT but should be excluded as turnover)
 - **Advantage:** response burden on reporting units

Thank you for your attention!

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