



# Metadata

## Business Demography Statistics

### 1. Contact

<b>1.1 Contact organisation</b>	Statistics Iceland
<b>1.2 Contact organisation unit</b>	Business Statistics
<b>1.3 Contact name</b>	Alina Kerul
<b>1.6 Contact e-mail address</b>	Alina.Kerul@hagstofa.is
<b>1.7 Contact phone number</b>	5281267

### 2. Metadata update

<b>2.3 Metadata last update</b>	8.4.2021
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### 3. Statistical presentation

<b>3.1 Data description</b>	<p>Business Demography Statistics are computed for all divisions/ groups of the business economy excluding financial and insurance activities.</p> <p>Tables contain data on the number of enterprises and turnover, the number of persons employed and indicators, broken down by NACE classification and employee size classes for various populations such as: active enterprises, newly born and newly dead, enterprises that had survived and high growth enterprises starting with 2003.</p>
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## 3.2 Classification system

**ÍSAT2008** is an Icelandic Industry Classification Standard based on the EU NACE Rev. 2, which is applied in all countries of the European Economic Area. ÍSAT2008 is a five digits classification system, with the first four digits as in NACE Rev. 2. The detailed description of classification system can be found at:

<https://www.hagstofa.is/utgafur/nanar-um-utgafu?id=54698>

**Business divisions and groups:** Enterprises are classified by their main business according to ÍSAT2008. Employees and persons employed are classified by the main business division/ group of company, where they are employed.

**Special aggregates:** Here are published statistics for several business divisions/ groups and special aggregates defined by Eurostat, the Statistical Office of the European Union. As an example of such aggregate, „Tourism Industries" should be mentioned. By using special aggregates defined by international organizations, the likelihood of comparable data with other countries increases significantly.

Individual industries groupings (see list below):

- The following NACE divisions and groups belong to **total business economy including fisheries and excluding financial and insurance activities (NACE no. 03-63, 68-82, 95-96):**
  - 03 Fishing and aquaculture
  - 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 trade; repair of motor vehicles and motorcycles
  - H Transportation and storage
  - I Accommodation and food service activities
  - J Information and communication
  - L Real estate activities
  - M Professional, scientific and technical activities
  - N Administrative and support service activities
  - 95 Repair of computers and personal and household goods
  - 96 Other personal service activities
- **Fisheries (NACE no. 031, 102)**
- **Aquaculture (NACE no. 032)**

- **Accommodation, food and beverages (NACE no. 551-553, 561, 563)**
- **Manufacturing excluding fish processing (NACE no. 101, 103-109, 11-33)**
- **Manufacture of food products, excluding processing and preserving of fish, crustaceans and molluscs (ÍSAT nr. 101, 103-108)**
- **Computer related services (NACE no. 582, 62, 631)** [according to Eurostat definition]:
  - Software publishing (NACE no. 582)
  - Computer programming, consultancy and related activities (NACE no. 62)
  - Data processing, hosting and related activities; web portals (NACE no. 631)
- **Electricity, gas, steam and air conditioning supply (NACE no. 35)**
- **Water supply; sewerage, waste management and remediation activities (NACE no. 36-39)**
- **Construction, mining and quarrying (NACE no. 05-09, 41-43)**
- **Wholesale and retail trade; repair of motor vehicles and motorcycles (NACE no. 45-47)**
- **High and Medium-high technology manufacturing (NACE no. 20, 254, 26-30, 325)** [according to Eurostat definition]:
  - Manufacture of chemicals and chemical products (NACE no. 20)
  - Manufacture of weapons and ammunition (NACE no. 254)
  - Manufacture of computer, electronic and optical products (NACE no. 26)
  - Manufacture of electrical equipment (NACE no. 27)
  - Manufacture of machinery and equipment n.e.c. (NACE no. 28)
  - Manufacture of motor vehicles, trailers and semi-trailers (NACE no. 29)
  - Manufacture of other transport equipment (NACE no. 30)
  - Manufacture of medical and dental instruments and supplies (NACE no. 325)
- **High technology services (NACE no. 53, 58, 60-63, 72)** [according to Eurostat definition]:
  - Postal and courier activities (NACE no. 53)
  - Publishing activities (NACE no. 58)
  - Programming and broadcasting activities (NACE no. 60)
  - Telecommunications (NACE no. 61)
  - Computer programming, consultancy and related activities (NACE no. 62)
  - Information service activities (NACE no. 63)
  - Scientific research and development (NACE no. 72)

- **ICT total (NACE no. 261-264, 268, 465, 582, 61-62, 631, 951)** [according to Eurostat definition]:
  - Manufacture of electronic components and boards (NACE no. 261)
  - Manufacture of computers and peripheral equipment (NACE no. 262)
  - Manufacture of communication equipment (NACE no. 263)
  - Manufacture of consumer electronics (NACE no. 264)
  - Manufacture of magnetic and optical media (NACE no. 268)
  - Wholesale of information and communication equipment (NACE no. 465)
  - Software publishing (NACE no. 582)
  - Telecommunications (NACE no. 61)
  - Computer programming, consultancy and related activities (NACE no. 62)
  - Data processing, hosting and related activities; web portals (NACE no. 631)
  - Repair of computers and communication equipment (NACE no. 951)
- **Information sector (NACE no. 581, 59-60, 639)** [according to Eurostat definition]:
  - Publishing of books, periodicals and other publishing activities (NACE no. 581)
  - Motion picture, video and television programme production, sound recording and music publishing activities (NACE no. 59)
  - Programming and broadcasting activities (NACE no. 60)
  - Other information service activities (NACE no. 639)
- **Real estate activities (NACE no. 68)**
- **Professional, scientific and technical activities (NACE no. 69-75)**
- **Administrative and support service activities (NACE no. 77-82)**
- **Tourism industries in Iceland (ÍSAT nr. 491, 4932, 4939, 501, 503, 511, 551-553, 561, 563, 771, 7721, 79, 5223, 9604):**
  - Land transport (NACE no. 491, 4932, 4939)
  - Sea, coastal and passenger water transport (NACE no. 501, 503)
  - Passenger air transport (NACE no. 511)
  - Hotels and similar accommodation, holiday and other short-stay accommodation, camping grounds, recreational vehicle parks and trailer parks (NACE no. 551-553)
  - Restaurants and mobile food service activities, beverage serving activities (NACE no. 561, 563)
  - Renting and leasing of motor vehicles, recreational and sports goods (NACE no. 771, 7721)

- Travel agency, tour operator and other reservation service and related activities (NACE no. 79)
- Service activities incidental to air transportation (NACE no. 5223)
- Physical well-being activities (NACE no. 9604)
- **High technology manufacturing and services (NACE no. 20, 254, 26-30, 325, 53, 58, 60-63, 72)** [according to Eurostat definition]:
  - Manufacture of chemicals and chemical products (NACE no. 20)
  - Manufacture of weapons and ammunition (NACE no. 254)
  - Manufacture of computer, electronic and optical products (NACE no. 26)
  - Manufacture of electrical equipment (NACE no. 27)
  - Manufacture of machinery and equipment n.e.c. (NACE no. 28)
  - Manufacture of motor vehicles, trailers and semi-trailers (NACE no. 29)
  - Manufacture of other transport equipment (NACE no. 30)
  - Manufacture of medical and dental instruments and supplies (NACE no. 325)
  - Postal and courier activities (NACE no. 53)
  - Publishing activities (NACE no. 58)
  - Programming and broadcasting activities (NACE no. 60)
  - Telecommunications (NACE no. 61)
  - Computer programming, consultancy and related activities (NACE no. 62)
  - Information service activities (NACE no. 63)
  - Scientific research and development (NACE no. 72)
- **Transport (total) (NACE no. 491, 4932, 4939, 501, 503, 511)**
- **Land and water transport (NACE no. 491, 4932, 4939, 501, 503)**

***Persons employed size classes:*** Populations of enterprises are broken down by a number of persons employed in them.

The classification of size groups (see below):

- 0 – enterprises with no person employed
- 1 – enterprises with one person employed
- 2 - 4 – enterprises with two to four persons employed
- 5 - 9 – enterprises with five to nine persons employed
- 10+ – enterprises with 10 or more persons employed



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- Total – all defined enterprises

**Active age classes:** Populations of enterprises are broken down by their active age.

The classification of age groups (see below):

- 0-5 years – enterprises with active age equal or under 5 years.
- 6 years and over – enterprises with active age equal or higher than 6 years.

# Metadata

## 3.3 Sector coverage

100%, see above.

## 3.4 Statistical concepts and definition

***The number of active enterprises in t:*** The number of enterprises, registered in the Business Register, that had either turnover or personnel costs during a given reference period. Inactive units are excluded. It also includes branches of foreign entities operating in Iceland even if units belong to foreign enterprises. The count includes all units that are active for at least part of the reference period.

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of persons employed:*** The number of persons employed is defined as the total number of persons who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). The variable refers to persons absent for a short period (e.g. sick leave, paid leave or special leave), and also those on strike, but not those absent for an indefinite period. It also includes part-time workers who are regarded as such under the laws of the country concerned and who are on the pay-roll, as well as seasonal workers, apprentices and home workers on the pay-roll.

The number of persons employed excludes manpower supplied to the unit by other enterprises, persons carrying out repair and maintenance work in the enquiry unit on behalf of other enterprises, as well as those on compulsory military service.

Unpaid family workers refer to persons who live with the proprietor of the unit and work regularly for the unit, but do not have a contract of service and do not receive a fixed sum for the work they perform. This is limited to those persons who are not included on the payroll of another unit as their principal occupation.

See further the Commission Regulation (EC) No. 250/2009.

***Turnover:*** Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties. The sales of goods include the goods produced by the company as well as the merchandise purchased by a retailer or land and other property held for resale (if land and other property were initially purchased for investment purposes they should not be included in turnover). The rendering of services typically involves the performance by the company of a contractually agreed task over an agreed period of time. The revenue of the long-term contracts (e.g. building contracts) should be recognized by reference to the stage of completion of the contract and not the finished contract method.

Turnover includes all duties and taxes on the goods or services invoiced by the unit with the exception of the value added type taxes (VAT). VAT are collected in stages by the company and fully borne by the final purchaser.



It also includes all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately in the invoice. Reduction in prices, rebates and discounts as well as the value of returned packing must be deducted.

Goods produced for own consumption or investment should be excluded from turnover.

Income classified as other operating income, financial income and extra-ordinary income in company accounts according to the 4th Accounting Directive and revenue from the use by others of company's assets yielding interest, royalties and dividends and other income according to IAS/IFRS is excluded from turnover. Operating subsidies received from public authorities or the institutions of the European Union are also excluded.

See further the Commission Regulation (EC) No. 250/2009.

***The number of deaths of enterprises in t:*** The number of enterprises, registered in the Business Register, which have had last turnover and last personnel cost during a given reference period and will not have turnover and personnel costs during the next two years. Discontinued operations are equivalent to the termination of a combination of production factors with the restriction that no other enterprises are involved in the event.

The number of deaths of market enterprises is registered to the concerned population after error correction ("pyramiding" of taxes).

Entries into the population due to mergers, break-ups, split offs or restructuring of a set of enterprises are not covered by this variable. It also does not include entries into a sub-population resulting only from a change of activity. See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of births of enterprises in t:*** The number of enterprises, registered in the Business Register, which have had either first turnover or first personnel cost during a given reference period and did not have turnover and personnel costs during the previous two years. Initiated operations are equivalent to the creation of a combination of production factors with the restriction that no other enterprises are involved in the event.

The number of births of market enterprises is registered to the concerned population after error correction ("pyramiding" of taxes).

Entries into the population due to mergers, break-ups, split offs or restructuring of a set of enterprises are not covered by this variable. It also does not include entries into a sub-population resulting only from a change of activity. See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of enterprises newly born in t having survived to t+1:*** Enterprises, which are referred to in this variable, were active in terms of paid employment and/ or turnover in the year of birth and the following year. They can be divided into two categories:

- A company born in year t is considered to have survived in year t+1 if it was active in terms of turnover and/or paid employment in any part of year t+1 (= survival without changes).
- A company is also considered to have survived even though linked legal entities, one or more, have ceased to be active. But their activities have been taken over by a new legal entity that was specially created in the reference year to take over the factors of production of that company (=survival by take-over).

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of enterprises newly born in t having survived to t+3:*** Enterprises, which are referred to in this variable, were active in terms of paid employment and/ or turnover in the year of birth and following years. They can be divided into two categories:

- A company born in year t is considered to have survived in year t+3 if it was active in terms of turnover and/or paid employment in any part of year t+1, t+2 and t+3 (= survival without changes).
- A company is also considered to have survived even though linked legal entities, one or more, have ceased to be active. But their activities have been taken over by a new legal entity that was specially created in the reference year to take over the factors of production of that company (=survival by take-over).

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of enterprises newly born in t having survived to t+5:*** Enterprises, which are referred to in this variable, were active in terms of paid employment and/ or turnover in the year of birth and following years. They can be divided into two categories:

- A company born in year t is considered to have survived in year t+5 if it was active in terms of turnover and/or paid employment in any part of year t+1, t+2, t+3, t+4 and t+5 (= survival without changes).
- A company is also considered to have survived even though linked legal entities, one or more, have ceased to be active. But their activities have been taken over by a new legal entity that was specially

created in the reference year to take over the factors of production of that company (=survival by take-over).

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of high growth enterprises measured in turnover in t:*** It is market enterprises, having at least 2 employees in t-3, with average annualised growth in turnover greater than 10 % per annum over a three year period (t-3 to t).

It does not include enterprises that were born in t-3 and had survived to t, because these enterprises could begin operations in the second half of reference year. In such a case, average annualised growth measured in turnover would be overestimated.

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of high growth enterprises measured in paid employment in t:***

- **For enterprises with 10 or more employees** – it is market enterprises, having at least 10 employees in t-3, with average annualised growth in paid employment greater than 10 % per annum over a three year period (t-3 to t).
- **For enterprises with 1 or more employees and less than 10 employees** – it is market enterprises, having at least 1 employee and less than 10 employees in t-3, with an increase in paid employment greater than 3.31 employees over a three year period (t-3 to t).

It does not include enterprises that were born in t-3 and had survived to t, because these enterprises could begin operations in the second half of reference year. In such a case, average annualised growth measured in paid employment would be overestimated.

See further the Commission Regulation (EC) No. 250/2009 and OECD Manual on Business Demography Statistics, Issue 2007.

***The number of gazelles (young high-growth enterprises) measured in turnover in t:*** It is four and five years old market enterprises, having at least 2 employees in t-3, with average annualised growth in turnover greater than 10 % per annum over a three year period (t-3 to t).

It does not include enterprises that were born in t-3 and had survived to t, because these enterprises could begin operations in the second half of reference year. In such a case, average annualised growth measured in turnover would be overestimated.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The number of gazelles (young high-growth enterprises) measured in paid employment in t:***

- **For gazelles (young high-growth enterprises) with 10 or more employees** – it is four and five years old market enterprises, having at least 10 employees in t-3, with average annualised growth in paid employment greater than 10 % per annum over a three year period (t-3 to t).
- **For gazelles (young high-growth enterprises) with 1 or more employees and less than 10 employees** – it is four and five years old market enterprises, having at least 1 employee and less than 10 employees in t-3, with an increase in paid employment greater than 3.31 employees over a three year period (t-3 to t).

It does not include enterprises that were born in t-3 and had survived to t, because these enterprises could begin operations in the second half of reference year. In such a case, average annualised growth measured in paid employment would be overestimated.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The one-year survival rate (%):*** It is the number of enterprises that were born in t and had survived to t+1 divided by the number of enterprises' births in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The three-year survival rate (%):*** It is the number of enterprises that were born in t and had survived to t+3 divided by the number of enterprises' births in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The five-year survival rate (%):*** It is the number of enterprises that were born in t and had survived to t+5 divided by the number of enterprises' births in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***Share of high growth enterprises measured in turnover in t (%):*** It is the number of high growth enterprises measured in turnover in t divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***Share of high growth enterprises measured in paid employment in t (%):*** It is the number of high growth enterprises measured in paid employment in t divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***Share of "gazelles" measured in turnover in t (%):*** It is the number of gazelles (young high-growth enterprises) measured in turnover in t divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***Share of “gazelles” measured in paid employment in t (%)***: It is the number of gazelles (young high-growth enterprises) measured in paid employment in t divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The birth rate of enterprises in t (%)***: It is the number of enterprises’ births in the reference period (t) divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***The death rate of enterprises in t (%)***: It is the number of enterprises’ deaths in the reference period (t) divided by the number of active enterprises in t.

See further OECD Manual on Business Demography Statistics, Issue 2007.

***Employment share of enterprises’ births in t (%)***: It is the number of persons employed among enterprises newly born in t divided by the number of persons employed in population of active enterprises in t.

***Employment share of enterprises’ deaths in t (%)***: It is the number of persons employed among enterprises’ deaths in t divided by the number of persons employed in population of active enterprises in t.

More information on statistical methodology can be found:

- in Issue 2007, Eurostat – OECD Manual on Business Demography Statistics  
<http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf>
- in the Commission Regulation (EC) No. 250/2009 on definitions of characteristics, the technical format for the transmission of data and the double reporting requirements for Structural Business Statistics  
<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R0250&from=EN>
- in the Commission Regulation (EC) No. 439/2014 on definitions of characteristics and the technical format for the transmission of data for Structural Business Statistics  
<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0439&from=EN>

<b>3.5 Statistical unit</b>	Enterprises are statistical unit for data.
<b>3.6 Statistical population</b>	<ul style="list-style-type: none"> <li>• Active enterprises;</li> <li>• Births of enterprises in year t and enterprises that had survived to t+1, t+3 and t+5;</li> <li>• Deaths of enterprises;</li> <li>• High growth enterprises.</li> </ul>
<b>3.7 Reference area</b>	Business Demography Statistics is designed to provide a detailed analysis of business population and to provide an image of quantitative and qualitative aspects of various NACE divisions/ groups and their development over a longer period of time.
<b>3.8 Time coverage</b>	Data covers the period 2003 - 2019.
<b>3.9 Base period</b>	-
<b>4. Unit of measure</b>	
<b>4. Unit of measure</b>	Number/ Thousand ISK. Amounts are at current prices.
<b>5. Reference period</b>	
<b>5. Reference period</b>	Annual statistics refer to the calendar year. They are intended to describe enterprises' operations and performance in the reference year.
<b>6. Institutional mandate</b>	

<b>6.1 Legal acts and other agreements</b>	<p>Implementation is based on:</p> <ul style="list-style-type: none"> <li>European Union Regulation No. 295/2008 on Structural Business Statistics. <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN</a></li> <li>According to the Statistics Iceland Act (163/2007), statistics on the economy of Iceland shall be published. As well, there is a chapter on publishing turnover data for individual industries. <a href="https://www.althingi.is/lagas/nuna/2007163.html">https://www.althingi.is/lagas/nuna/2007163.html</a></li> </ul>
<b>7. Confidentiality</b>	
<b>7.1 Confidentiality - policy</b>	<p>Statistics Iceland's Rules of Procedure for Treating Confidential Data are accessible on the Statistics Iceland website: <a href="https://statice.is/about-statistics-iceland/laws-and-regulations/statistics-icelands-rules-of-procedure-for-treating-confidential-data/">https://statice.is/about-statistics-iceland/laws-and-regulations/statistics-icelands-rules-of-procedure-for-treating-confidential-data/</a></p>
<b>7.2 Confidentiality – data treatment</b>	<p>Basic data is kept as confidential information at Statistics Iceland. Only employees of Statistics Iceland who directly work with data have access to basic data. Statistics Iceland does not provide access to basic data, though it is possible to have it especially processed. More information can be found: <a href="https://hagstofa.is/thjonusta/">https://hagstofa.is/thjonusta/</a></p>
<b>8. Release policy</b>	
<b>8.1 Release calendar</b>	<p>-</p>
<b>8.2 Release calendar access</b>	<p>Release calendar is accessible to users on the Statistics Iceland website: <a href="https://statice.is/publications/">https://statice.is/publications/</a></p>
<b>8.3 User access</b>	<p>Data is accessible to users on the Statistics Iceland website: <a href="https://statice.is/statistics/business-sectors/enterprises/structural-business-statistics/">https://statice.is/statistics/business-sectors/enterprises/structural-business-statistics/</a></p>
<b>9. Frequency of dissemination</b>	
<b>9. Frequency of dissemination</b>	<p>It is annually.</p>

10. Accessibility and clarity	
10.1 News release	News released on Statistics Iceland's website.
10.2 Publication	Publications released on Statistics Iceland's website.
10.3 On-line database	Statistics, categorised statistical web tables can be found: <a href="https://statice.is/statistics/business-sectors/enterprises/structural-business-statistics/">https://statice.is/statistics/business-sectors/enterprises/structural-business-statistics/</a>
10.4 Micro-data access	-
10.5 Other	Data is sent to Eurostat and can be found: <a href="https://ec.europa.eu/eurostat/web/structural-business-statistics/entrepreneurship/business-demography">https://ec.europa.eu/eurostat/web/structural-business-statistics/entrepreneurship/business-demography</a> Data is sent to OECD and can be found: <a href="http://www.oecd.org/sdd/business-stats/structuralanddemographicbusinessstatisticsdbsoecd.htm">http://www.oecd.org/sdd/business-stats/structuralanddemographicbusinessstatisticsdbsoecd.htm</a>
10.6 Documentation on methodology	Information on statistical methodology can be found: <ul style="list-style-type: none"> <li>• in Issue 2007, Eurostat – OECD Manual on Business Demography Statistics <a href="http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf">http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf</a></li> <li>• in the Commission Regulation (EC) No. 250/2009 on definitions of characteristics, the technical format for the transmission of data and the double reporting requirements for Structural Business Statistics <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R0250&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R0250&amp;from=EN</a></li> <li>• in the Commission Regulation (EC) No. 439/2014 on definitions of characteristics and the technical format for the transmission of data for Structural Business Statistics <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0439&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0439&amp;from=EN</a></li> </ul>
10.7 Quality documentation	No documents on the quality of the statistics are available.
11. Quality management	



<b>11.1 Quality assurance</b>	Further information on the quality policy: <a href="https://statice.is/about-statistics-iceland/quality-policy/">https://statice.is/about-statistics-iceland/quality-policy/</a>
<b>11.2 Quality assessment</b>	-
<b>12. Relevance</b>	
<b>12.1 User needs</b>	<p>Business Demography Statistics are compiled on the basis of European Union Regulation no. 295/2008 on Structural Business Statistics.</p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN</a></p> <p>Main users are public entities, international organizations, enterprises, media, special interest groups and the public who use data for a variety of purposes, including market research and economic analysis.</p> <p>Figures on the number of enterprises, the number of persons employed and turnover are intended to show broad trends of the long-term development of individual industries.</p>
<b>12.2 User satisfaction</b>	No user satisfaction has been measured.
<b>12.3 Completeness</b>	-
<b>13. Accuracy and reliability</b>	

## 13.1 Overall accuracy

The main data sources are tax returns reports for business operators (RSK 1.04) and tax returns reports for self-employed persons (RSK 4.11) from the Directorate of Internal Revenue. Therefore, reliability of data depends on compliance with mandatory obligation and precision during filling in tax forms.

In some cases, tax reports do not give a clear picture of business operations. It could happen when enterprises are restructured during fiscal year and operations previously belonging to a parent company are transferred to a subsidiary. Therefore, the parent company becomes a holding company or headquarters in the future. Alternatively, it could refer to when enterprises are divided, merged or reorganized in other ways that tax reports are affected. In some cases, tax reports are not available for individual years.

The number of employees is estimated based on payroll data from the Directorate of Internal Revenue. Therefore, accuracy of data depends on employers' precision during filling in payroll data forms. Remuneration, when business owners calculate their own salary but do not list them as personnel cost, is not taken into consideration. The number of individuals, which received compensations for their work from a particular company, is calculated on a monthly basis. Later on, an average is calculated for those months that compensations were paid out. Such methodology gives the best representation for enterprises that operate only a part of the year. However, it can cause double counting when a company changes its ID number in the middle of the year and moves its employees to new company. As well, it should be pointed out that here is calculated the number of persons who received compensations from enterprises rather than the number of full-time jobs.

Attempts have been made to clear off vacation payments to former employees. However, it is possible that some part of those payments may still be counted in to payroll data. As a result, it could cause employees' overestimation.

Likewise, it is impossible to correct for back payments to former employees, e.g. in relation to collective agreements. Industry classifications are based on the EU NACE Rev. 2 and requirements for the Business Register of Statistics Iceland. The most enterprises fall within definitions of one group according to Industry Classification Standard, while some larger enterprises are in more than one professional activity. In that case, a company will be assigned to the industrial group where it earns higher operating income. The most descriptive examples of this are e. g. seafood enterprises that are engaged in fishing and fish processing. Fishing belongs to industrial division 03 – Fisheries and Aquaculture and fish processing belongs to industrial division 10 – Food Production. In this issue and in many other cases in Iceland, those groups 03.1 – fisheries and 10.2 – processing and preserving of fish, crustaceans and molluscs are taken together.

## 13.2 Sampling errors

Statistics are based on the complete database. Therefore, confidence intervals are not calculated.

## 13.3 Non-sampling errors

Majority of errors may be explained by errors in tax returns reports or that enterprises/ individuals do not submit tax returns reports to the Directorate of Internal Revenue.

In some cases, enterprises change its ID numbers in the middle of the year and move its employees to new enterprises. It could cause wrong counting of employees, persons employed and enterprises.

As well, employers do not always provide data in a timely manner. Incorrect business registration of enterprises can also cause an error.

## 14. Timeliness and punctuality

### 14.1 Timeliness

Final statistics are published no later than 18 months after the end of the reference year.

### 14.2 Punctuality

It is in accordance with the publication schedule of Statistics Iceland. The publication schedule is published on the website of Statistics Iceland each year in October.

## 15. Coherence and comparability

### 15.1 Comparability – geographical

Here below are listed some other statistics that are estimated by Statistics Iceland and could be linked to statistics on enterprises, turnover and persons employed.

- **Business demography statistics for EU member states and other participants**, published on the European Statistics, Eurostat website:
  - <http://ec.europa.eu/eurostat/web/structural-business-statistics/entrepreneurship/business-demography>
  - Tables do not cover all industries.
- **Business demography statistics for OECD participants**, published on the OECD website:
  - <http://www.oecd.org/sdd/business-stats/entrepreneurship-at-a-glance-22266941.htm>
  - Tables do not cover all industries.

<b>15.2 Comparability – over time</b>	<p>Data is comparable between years because uniform methods were applied during calculation and processing of annual data.</p> <p>However, comparability of numbers may be disrupted due to changes in sources, methods or submission process at the Directorate of Internal Revenue. Also, the Business Register is basing its industry classifications on the calendar year. Therefore, if a company changes an industry, it is considered to be a part of this industry since the beginning of the year when change took place.</p>
<b>15.3 Coherence – cross domain</b>	<p>Here below are listed some other statistics that are estimated by Statistics Iceland and could be linked to statistics on enterprises, turnover and persons employed.</p> <ul style="list-style-type: none"> <li>• <b>Structural business statistics (SBS) - on numbers for enterprises and persons employed, turnover</b>, published on the Statistics Iceland website: <ul style="list-style-type: none"> <li>▪ <a href="https://px.hagstofa.is/pxen/pxweb/en/Atvinnuvegir/?rxid=22dbbc55-30b4-4aa4-aea6-1c093409ca7a">https://px.hagstofa.is/pxen/pxweb/en/Atvinnuvegir/?rxid=22dbbc55-30b4-4aa4-aea6-1c093409ca7a</a></li> </ul> </li> </ul> <p>Two things need to keep in mind, the birth of enterprise is not the same as enterprise registration and the death of enterprise is not the same as insolvency.</p>
<b>15.4 Coherence – internal</b>	The same definitions and classification systems are used for statistical analysis within the subject area.
<b>16. Cost and burden</b>	
<b>16. Cost and burden</b>	It is none. Data is transmitted digitally from the Directorate of Internal Revenue.
<b>17. Data revision</b>	
<b>17.1 Data revision - policy</b>	<p>Further information on the data revision policy:</p> <p><a href="https://statice.is/about-statistics-iceland/revision-policy/">https://statice.is/about-statistics-iceland/revision-policy/</a></p>
<b>17.2 Data revision -practice</b>	When new data is published, older figures are revised. See section 13 Accuracy and reliability.
<b>18. Statistical processing</b>	

<b>18.1 Source data</b>	<p>Implementation is based on:</p> <ul style="list-style-type: none"> <li>• Business Demography Statistics are largely based on tax returns reports for business operators (RSK 1.04) and tax returns reports for self-employed persons (RSK 4.11), the Statistical Business Register of Statistics Iceland and income tax reports.</li> <li>• Data from income tax reports comes directly from the Directorate of Internal Revenue. All those who are considered as employers under the Federal Fees Act, i.e. those who make or calculate payments that are considered to be salaries/ personnel costs, must complete and submit a breakdown of wage income on a monthly basis to the Directorate of Internal Revenue.</li> </ul>
<b>18.2 Frequency of data collection</b>	Tax returns reports for business operators (RSK 1.04), tax returns reports for self-employed persons (RSK 4.11) and PAYEs are collected twice a year.
<b>18.3 Data collection</b>	Tax returns reports for business operators (RSK 1.04), tax returns reports for self-employed persons (RSK 4.11) and PAYEs are collected twice a year.
<b>18.4 Data validation</b>	A number of logical checks between different variables are performed and the consistency of data over time is checked as well.
<b>18.5 Data compilation</b>	<p>Business Demography Statistics are compiled on the basis of European Union Regulation no. 295/2008 on Structural Business Statistics.</p> <p><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32008R0295&amp;from=EN</a></p>
<b>18.6 Adjustment</b>	-
<b>19. Comment</b>	
<b>19. Comment</b>	-