

# QUARTERLY SURVEY ON WHOLESALE TRADE

## LEGISLATION

- Official statistics law (Official gazette RS, no 104/2009)
- Program of official statistics, 2011-2015 (Official gazette RS, no 23/2011)

## METHODOLOGICAL BACKGROUNDS

### Objective of statistical survey

The objective of quarterly survey is to provide the data on turnover in wholesale trade and they shall be applied for the following purpose:

- Following the volume and trends of turnover in wholesale trade;
- Analysis of effects of commercial policy measures;
- Analysis of turnover structure by groups of goods and major users;
- Analysis of volume and structure of turnover by trade groups of activities.

The survey results are relative to the turnover made in wholesale trade in the Republic of Serbia.

### Reporting units, statistical units

Reporting units are the following:

- Enterprises that pursuant to the Classification of activities (CA 2010) are categorized in wholesale trade activity (division 46);
- Enterprises that according to prevailing activity are categorized otherwise, but are engaged also in wholesale trade.

Pursuant to the principle of revenues' value (source: financial statements of enterprises) covered are all large and medium-sized enterprises (division 46, CA 2010), while small-sized enterprises are selected applying the method of random sample selection.

### Survey coverage and sample elements

#### Basic set

The basic set of units was created according to the data of the Statistical business register (SBR), with the state found at the end of 2010. It included all active enterprises whose prevailing activity is wholesale trade, except trade with motor vehicles and motorcycles (division 46, CA 2010).

The basic set included 23127 units.

The basic set for each unit included the following data:

- ID and address data;
- Activity class code (CA 2010);
- Size code according to the financial statement;
- Gained receipts for sales of goods and number of employees according to 2009 financial statements.

#### Frame for sample selection

From the basic set excluded are the units the turnover of which equals zero value or those with unavailable data on turnover; excluded are the units with the smallest turnover, which does not exceed 3% of the total turnover. The remaining part of the basic set includes about 31% of the basic set units, the turnover of which equals 96% of the total turnover of the basic set.

The created set is supplemented with 34 enterprises that made considerable turnover in wholesale trade, even though their prevailing activity does not fall in wholesale trade.

The created frame for sample selection consisted of 7770 units.

### Stratification

The stratification of units within the frame is carried out according to:

- whether they are enumerated/listed;
- size, pursuant to financial statements;
- territory (Serbia – south, Belgrade and Vojvodina);
- CA classes (4-digit numerical code).

Enumerated units are large- and medium-sized enterprises, enterprises with prevailing activity other than the division 46, CA (2010), and the top by turnover among small-sized enterprises. The selection of small-sized enterprises that are enumerated is carried out by applying Hidiroglou algorithm, for the given error level (coefficient of variation), of 0.15 for total turnover assessment, by territorial classes.

Out of 7770 units in the frame for sample selection, 958 are enumerated (883 large- and medium-sized enterprises, 34 enterprises with prevailing activity other than wholesale trade and 41 small-size business entities). Of the remaining 6812 units, the random sample is selected.

### Allocation

Allocation is carried out by applying Bethel algorithm (Bethel, 1989). As supplementary features used are receipts from sales of goods and number of employees. For the assessment of totals of these features, the errors (coefficients of variation) are given in advance, by domains of assessment. The number of domains and given error limits can be seen in the Table 1.

**Table 1. Anticipated error limits by domains**

| Domains  | Number of domains | Coefficient of variation (%) |                     |
|--|-------------------|------------------------------|---------------------|
|  |                   | Receipts from sales of goods | Number of employees |
| Classes defined by crossing territory and groups of activities | 23                | 8                            | 15                  |
| Groups of activities   | 8                 | 7                            | 11                  |
| Territorial classes  | 3                 | 5                            | 9                   |

Under these conditions, allocated was the sample of 1887 units.

Within the stratum selected was a simple random sample by sequential scheme of selection, using permanent random numbers from the interval (0, 1) that are joined to the units of the frame for sample selection. The selection of random numbers is carried out starting from zero (0).

### Estimations

The Horvitz-Thompson estimations of totals were calculated pursuant to the standard procedure for stratified sample with random selection of units within the stratum. This means that the weighted values from the sample were summed, while the weight for the units of the same stratum is equal to the quotient of the number of units in the stratum and the number of units in the sample. The primary weights were corrected for non-response.

### Method, timing and data sources

The survey is implemented by the method of reporting by mail. Pursuant to the given instructions found in the form and aided by statisticians, each reporting unit shall complete the form TRG-16KV, using bookkeeping and other required documents.

The statistical divisions in charge shall forward the forms and guidelines to the units.

Reporting units shall forward the completed forms to respective SORS organizational units (in accordance with the territorial registration of enterprise on the 15<sup>th</sup> day in the first month after the referent quarter elapsed).

### Individual data protection

The obligation of individual data protection is envisaged by the Official statistics law – Article 3, the provisions of protection of data providers, and Articles 44, 45, 46, 47, 48 and 49, the provisions of confidentiality (Official gazette RS, no 104/2009).

## Main features: definitions

**Enterprise** is a legal person established by other legal and/or natural persons in order to carry out certain activity and gain profits. Enterprises can be established as partnerships, limited partnerships, joint stock companies and limited liabilities companies, in accordance with the Law on companies.

**Trade** is a set of activities anticipating turnover of goods and services aimed at gaining profits or any other social and economic effect.

**Wholesale trade** covers the activities classified under the division 46, CA (2010). *Wholesale* anticipates the sales of new and secondhand goods without processing, for further sale (to commercial enterprises and unincorporated enterprises dealing with retail trade, to other wholesale traders), or for processing, and the sales of goods to major consumers for own use. The subject here is only commercial goods and not the sales of own produce. Wholesale trade of goods includes the sales of consignment stock goods and transit turnover (if stated in bookkeeping records as wholesale), i.e. the sales of goods that are on sellers order directly delivered to buyer from stocks or any other destination of producer, importer or other enterprise, without previous storage. The services in trade of goods are also included (agency, intermediation, representation, commission services, etc).

The value of sold goods and services includes *Value added tax (VAT)*, which is presented in the sale prices for customers; however excluded is any turnover of equipment and other property of enterprises (Act on Value added tax).

**Wholesale trade turnover** includes the gained profits (turnover), i.e. the invoiced value from sales of goods and intermediation. The value of sold goods includes Value added tax (VAT), which is calculated in the sale price for customers. For intermediation, anticipated is only commission with respective VAT for rendered services (business activities in the name and for the account of others).

**Goods** are product of industry, agriculture, catering trade or any other activity, as well as intellectual property (industrial and copyrights) and other rights eligible for sales or purchase, including securities. The main feature of goods is that they are designated for sales.

**VAT** means a general tax on consumption and it is calculated and payable for delivered goods and rendered services, in all stages of production and turnover of goods and services, and for imports of goods, except if otherwise provided by legislation. VAT is calculated and separately expressed in invoice payable by buyer of goods or service customer.

**Turnover by types of customers** anticipates the value of sold goods to *commercial enterprises for further sales* (CA divisions 45, 46 and 47), to *other enterprises for further processing* (except commercial) and to *major customers for their own consumption* (hospitals, military institutions, student homes and other organizations).

**Inventories in wholesale trade** anticipate the value of inventories in stocks and warehouses kept by enterprises, with the status at the end of quarter. They are calculated at purchase prices, VAT excluded.

**Turnover in wholesale trade with VAT, by groups of goods** – represents the value of sold goods in wholesale trade by sales assortment of enterprises and the same is distributed into 30 groups of goods for the referent quarter, for the level of the Republic of Serbia.

## Representative data

In accordance with the number of units in the sample, the data are representative for the levels:

- Territory of the Republic of Serbia;
- Trade groups, division 46 (CA 2010);
- Groups of goods.

## Harmonization with international recommendations, standards and practice

- The definitions of the basic variables and the methodology of calculations (absolute data, indices at current prices) have been partly adjusted according to the Eurostat recommendations for short-term indicators (Council Regulation No 1165/98, Annex D).
- By applying the CA 2010 (NACE rev. 2), and by covering the total turnover of reporting units registered for wholesale trade (organizational approach), the harmonization with the Eurostat methodological recommendations has been largely achieved.

## SURVEY ORGANIZATION

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### Authority

- SORS: the Division of statistics of trade, catering trade and tourist trade, the Group for domestic trade statistics, Belgrade, the Statistical department of AP Vojvodina and the regional offices of Zrenjanin, Novi Sad, Sremska Mitrovica, Pančevo, Subotica, Šabac, Zaječar, Leskovac, Kraljevo, Niš, Valjevo, Smederevo, Užice and Kragujevac.
- Informatics and statistics institute of Belgrade.

### Responsiveness

- The obligation of responding to the survey is stipulated by Article 26, and the penalty provisions for the cases of refusing to respond to the questions or providing incomplete and false data are envisaged by Article 52, the Official statistics law (Official gazette RS, no 104/2009).

### Timetable: survey stages and data publishing

- The deadline for reporting units to submit completed form (TRG-16KV) to the statistical authority is the 15<sup>th</sup> day in the month following the referent quarter, except for the fourth quarter when deadline is the 5<sup>th</sup> day of the second month after the referent quarter (February).
- The statistical regional offices and the Informatics and statistics institute of Belgrade are obliged to submit logically and computing controlled material to the SORS Division of statistics of trade, catering trade and tourist trade, on the last working day in the month following the elapsed quarter.
- The SORS shall publish the data on wholesale trade 75 days after the end of referent quarter.

## SURVEY INSTRUMENTS

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### Questionnaire and guidelines

For the implementation of the survey used is the form – Quarterly survey on wholesale trade (TRG-16KV).

The form is available at the SORS site, [www.stat.gov.rs](http://www.stat.gov.rs).

### Nomenclatures and classifications

- Classification of activities (2010)

For the classification, see the SORS website at [www.stat.gov.rs](http://www.stat.gov.rs).

### Releases and publications

- Statistical release (PM11) – RS: Domestic trade;
- SORS website;
- Statistical yearbook of the Republic of Serbia

For publications, see the SORS website at [www.stat.gov.rs](http://www.stat.gov.rs).

Contact persons:        Sonja Radoičić, Ext. 216  
                                  Danijela Mladenović, Ext. 315