## 12 ORGANISATIONAL STRUCTURE OF THE NATIONAL ECONOMY

## Methodological notes

Statistics provided in this chapter follow basic data on all businesses (economic entities) registered in the Statistical Business Register (abbreviated RES in Czech), the administrator of which is the Czech Statistical Office. These statistics are based on selected public data kept in the Statistical Business Register. A list of public data of the Statistical Business Register is stated in the Section 20 of the Act No 89/1995 Sb, on the State Statistical Service. According to the Section 2(k) of the aforementioned act, a legal person, organisational unit of the state that is an accounting entity, a unit trust, and, furthermore, a natural person with the status of entrepreneur pursuant to a special regulation is a business (economic entity).

Data in the Statistical Business Register are compiled and updated based on administrative data sources. It mainly applies to the Basic Register of Legal and Natural Persons (abbreviated ROS in Czech), from which the Statistical Business Register obtains information on a company registration number (abbreviated IČO in Czech), name, legal form, and births and deaths of businesses on a daily basis. Additional administrative data sources (mainly public registers of the Ministry of Justice, the Trade Licensing Register, or data from the Ministry of Finance or the Czech Social Security Administration) and results of statistical surveys are used by the Statistical Business Register to assign an economic activity code and other characteristics.

## **Notes on Tables**

The **number of** registered **businesses** (economic entities) – the number of businesses (economic entities) without a date of death (cessation) registered in the Statistical Business Register (RES) database as at a certain moment (the end of the year).

The **number of births of businesses** (economic entities) – a born business (economic entity) is a business (economic entity) with the date of birth (registration) during the reference period. A business (economic entity), which was registered and subsequently ceased to exist during the same reference period is not considered to be a born business (economic entity).

The **number of deaths of businesses** (economic entities) – a business (economic entity) with the date of cessation in the reference period is a business (economic entity) that ceased to exist.

**Natural persons** include private entrepreneurs who are in business under the Trade Licensing Act, agricultural entrepreneurs – natural persons, and natural persons carrying out business activities pursuant to other acts, and, furthermore, since 2014 also foreign natural persons and branches of foreign natural persons.

**Private entrepreneurs in business under the Trade Licensing Act** include natural persons who carry out their business activities according to the Act No 455/1991 Sb, the Trade Licensing Act.

**Private entrepreneurs in business under other acts** (than the Trade Licensing Act) include agricultural entrepreneurs – natural persons who carry out their business activities according to the Act No 252/1997 Sb, on Agriculture, and natural persons whose business activities are governed by a separate legal regulation except for the Trade Licensing Act and the Act on Agriculture.

Associations of natural persons and associations of legal persons include associations and subsidiary associations including foreign ones, trade unions and employers' organisations and their organisational units including international ones, political parties and movements, churches and religious societies, professional organisations, chambers, international non-governmental organisations and their organisational units, hunting associations (communities), and special-interest associations of legal persons.

**Business companies and partnerships** include general commercial partnerships, limited liability companies, limited partnerships, joint-stock companies, and since 2010 also European companies (Societas Europaea) and European economic interest groupings.

Cooperatives include cooperatives and European cooperative societies (Societas Cooperativa Europaea).

The **breakdown by principal activity** corresponds to sections of the Classification of Economic Activities (CZ-NACE), which was made according to the European statistical classification of economic activities in compliance with the Regulation (EC) No 1893/2006 of the European Parliament and of the Council establishing the statistical classification of economic activities NACE Revision 2.

The **breakdown by classification of businesses to institutional sectors** is based on the Classification of Institutional Sectors and Subsectors, which was produced according to the Regulation (EU) No 549/2013 of the European Parliament and of the Council on the European system of national and regional accounts in the European Union (known as ESA 2010). Description of institutional sectors is provided in the Chapter 5 National Accounts.

Territorial breakdown is based on the registered office (headquarters) of a business (economic entity).

**Identified activity** – a business (economic entity) is considered active if it is income tax payer or value added tax payer or it pays social security contributions for employees or as a self-employed.

In 2016, selected businesses were reclassified between the public enterprises and corporations and the general government institutional sectors in compliance with a change of the methodology for classification of businesses of the ESA 2010 classification. Therefore, since 2016, data in Tables 12-8 to 12-11, 12-14, and 12-15 are incomparable to those of previous years.

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Further information can be found on the website of the Czech Statistical Office at:

- www.czso.cz/csu/czso/organizational-statistics