Business Demography

1. Contact

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2. Metadata update

2.1. Metadata last certified	February 20, 2025
2.2. Metadata last posted	February 20, 2025
2.3. Metadata last update	February 20, 2025

3. Statistical presentation

3.1. Data description

The following **main results** and other indicators are published:
- **Birth (as an absolute value and as a percentage of active enterprises);**
- **Death (as an absolute value and as a percentage of active enterprises);**
- **Survival and survival rates;**
- Number of employees in the population of births in t;
- Number of employees in the population of deaths in year t;
- Population of active enterprises having at least one employee in year t;
- Number of enterprises that did not have an employee in year t-1 and have an employee in year t;
- Number of enterprises having no employees anymore in year t;
- Number of persons employed in the population of enterprises newly born in t-3 having survived to t;
- Number of persons employed in the year of birth in the population of enterprises newly born in t-3 having.

The **main results** are published according to the:
- Kind of Economic Activity;
- Organizational-legal form;
- Regions.

3.2. Classification system

National Classification of Economic Activities (NACE Rev. 2).

3.3. Sector coverage

Business demography indicators include entire business sector.

3.4. Statistical concepts and definitions

Active enterprise – an enterprise which is engaged in economic activity.

Birth of an enterprise – a business demographic event, when the new production factors or reactivation of the enterprise are gathered after it has suspended economic activity for more than 2 years

The death of the enterprise – business demographic event when existing combination of production factors is disassembled.

Survival of enterprise – Business demographic event, when enterprise keeps his economic activity both its birth and the following year/years.

Number of Employees – Employees' (employed, employed founders and family members employed in the family enterprise) average amount during the reporting period.

Birth of enterprises (%) – (birth indicator) – The part of newly born enterprises among active enterprises expressed in

percentage.

Death of enterprises (%) – (death rate) – The share of the deceased enterprises among active enterprises expressed in the percentage.

Survival indicator (%) – The share of enterprises born in t-n year, which are active in t year, expressed in percentage.

3.5. Statistical unit

The enterprise – the economic unit that produces goods or services, independently makes economic decisions about distribution of their resources (holds a definite degree of freedom in making decision). The enterprise carries out one or more of the economic activities according to one or more locations. The enterprise may be individual (physical) or legal unit.

3.6. Statistical population

All active enterprises whose economic activities are not related to the following sections of the National Classification of Economic Activities (NACE Rev. 2):
- **O** – state governance and defense, compulsory social security;
- **T** – business, as employer, activities; Production of non-differentiated goods and services for household consumption;
- **U** – Exterior Organizations Activities.

3.7. Reference area

The entire territory of Georgia except the occupied regions.

3.8. Time coverage

From 2012.

3.9. Base period

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4. Unit of measure

Unit, %.

5. Reference period

Year.

6. Institutional mandate

6.1. Legal acts and other agreements

The Law of Georgia on Official Statistics;

https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf

Statistical Work Programme (annual);

https://www.geostat.ge/en/modules/categories/307/statistical-work-programme

Charter of the National Statistics Office of Georgia.

https://www.geostat.ge/media/67749/New-Chapter-eng-upd.pdf

6.2. Data sharing

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7. Confidentiality

7.1. Confidentiality – policy

1. The Law of Georgia on Official Statistics:
   - According to the article 5 of the law Statistical confidentiality and exclusive use for statistical purposes – individual data collected or received by the producer of official statistics, relating to natural or legal persons, must be strictly confidential and used only for statistical purposes.
   - According to the article 34 (Observing Confidentiality of Statistical Data) of the law 1. Data collected, processed, and stored to produce official statistics are confidential if they enable the direct or indirect identification of a statistical unit. In addition, aggregated data are subject to statistical confidentiality: a) Aggregates composed of 1 to 3 units, when the unit is a natural or legal person if one of these units could be identified indirectly, thereby disclosing individual data about this unit. Aggregates composed of more than 3 units may be declared confidential by the Executive Director if required to ensure statistical confidentiality; b) Information declares as a state secret on the basis of the „Law of Georgia on State Secrets". 2. Confidential data

shall be used exclusively for the purposes of producing statistics in accordance with this law. 3. Statistical data about the administrative body cannot be considered confidential information, except for the information determined by the Law of Georgia „On State Secrets". 4. Individual data obtained from publicly available sources, which are defined as public information in accordance with the legislation of Georgia, shall not be considered confidential information. 5. Confidential (individual) data may be published if there is written consent from the statistical unit regarding the publication of such data. 6. It is not allowed to disseminate and distribute confidential data or use it for non-statistical purposes.

- According to the article 38 (Confidentiality commitments) of the law the confidential statistical data collected and processed for statistical purposes shall not be used or disseminated either for personal, academic, research or any other activities, by the employees of the producers of Official Statistics.

  https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf

2. Data Confidentiality Policy at Geostat
   https://www.geostat.ge/media/20860/Data-Confidentiality-Policy-at-Geostat_En.pdf
3. Procedure for providing access to confidential data for research purposes
   https://www.geostat.ge/media/61533/Rule-on-Access-to-Confidential-Data-for-Scientific-and-Research-Purposes....pdf
4. The Law of Georgia on Personal Data Protection
   https://matsne.gov.ge/en/document/view/1561437?publication=9

7.2. Confidentiality – data treatment

- Confidentiality guidelines.
- Written undertakings by an employee of Geostat on ensuring confidentiality of gained/collected data as a result of official duties.

8. Release policy

8.1. Release calendar

Data dissemination dates are defined by the calendar developed on the basis of the Statistical Work Programme, which is published on the website of Geostat and is publicly available.

8.2. Release calendar access

https://www.geostat.ge/en/calendar

8.3. User access

All users have the equal access to the statistical data simultaneously.

9. Frequency of dissemination

Annual.

10. Accessibility and clarity

10.1. News release

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10.2. Publications

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10.3. On-line database

Data is available on the Geostat website:

https://www.geostat.ge/en/modules/categories/69/business-demography

10.4. Micro-data access

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10.5. Other

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10.6. Documentation on methodology

Methodology (Eurostat and the OECD Manual on Business Demography Statistics) is available on the Geostat website:

https://www.geostat.ge/media/13388/14.-Eurostat-OECD-Manual-on-Business-Demography-Statistics-%28Edition-2007%2C-Eurostat%2C-OECD%29.pdf

10.7. Quality documentation

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11. Quality management
11.1. Quality assurance
To ensure the quality of the statistical processes and products Geostat follows Chapter 10 – Quality of official statistics – of the Law of Georgia on Official Statistics, as well as the European Statistics Code of Practice, the UN Fundamental Principles of Official Statistics and Quality Assurance Framework of the European Statistical System (ESS QAF).
11.2. Quality assessment
Methodology and Quality Management Division of Geostat, along with the sectoral departments, is responsible for the quality of the produced statistical products and processes. The Division carries out quality audit, self-assessment of statistical processes and assesses the risks for the quality of statistical processes and products. Geostat has developed policy documents, guidelines and standard routine descriptions. These documents ensure the standardization of statistical processes and products and the establishment of a unified quality assurance system. Quality policy is available on the Geostat website: https://www.geostat.ge/media/44380/QP_Geostat_EN.pdf

12. Relevance
12.1. User needs
The main users are: business sector, researchers and students, international organizations, state institutions, media outlets, etc. They need these data to carry out different types of statistical analysis, to plan a marketing strategy or to evaluate and study the economic situation.
12.2. User satisfaction
In 2023 user satisfaction survey was conducted, the target of the survey was to analyze the assessment of quality of statistical data by users and explore ways to improve user services. The survey report is available on the website of Geostat (in Georgian): https://www.geostat.ge/en/page/customer-service
12.3. Completeness
The data covers main indicators of business demography.

13. Accuracy and reliability
13.1. Overall accuracy
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13.2. Sampling error
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13.3. Non-sampling error
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14. Timeliness and punctuality
14.1. Timeliness
Data are published on November 15 of the next year of the reporting period.
14.2. Punctuality
The data are published according to the date specified by the Statistical Work Programme. There has not been any violation of publication dates.

15. Coherence and comparability
15.1. Comparability – geographical
Same methodology and approaches have been used across the different regions of the country.
15.2. Comparability – over time
The data are comparable over time.
15.3. Coherence – cross domain
The data are coherent.
15.4. Coherence – internal
The data are coherent.

16. Cost and burden
The data are received and processed within the framework of the Geostat budget. No extra expenses are required.

17. Data revision
17.1. Data revision – policy
Statistical data revision policy is available on the website of Geostat: https://www.geostat.ge/media/59824/Data-Revision-Policy-and-Error_Correction-at-Geostat_Eng.pdf
17.2. Data revision – practice
Planned revision of data is not carried out. An unplanned revision (to clarify data) was not carried out in practice.

18. Statistical processing
18.1. Source data
The main source of data is business register.
18.2. Frequency of data collection
Annual.
18.3. Data collection
The data mainly relies on administrative sources and business register. A series of annual snapshots of the business register at the end of each reporting year is establisthed to process the data. The populations in each of these snapshots are then matched in order to follow each unit across time periods. Data for active enterprises are obtained from the business register by checking for activity. A unit is considered active if it shows turnover, employment or paid salaries, profit or loss, or taxes paid other than only property tax during any time of a calendar year. A death is confirmed only after two years of inactivity, while a reactivation of an enterprise after more than two years is considered a birth.
18.4. Data validation
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18.5. Data compilation
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18.6. Adjustment
Not applied.

19. Comment
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