



**STATISTICAL OFFICE OF
MONTENEGRO**

METHODOLOGICAL GUIDELINES

CONSTRUCTION WORKS

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Legal basis

The legal basis for the implementation of the survey on construction works is the Law on Official Statistics and Official Statistical System of Montenegro ("Official Gazette of Montenegro", No. 18/12 and 47/19) and Annual plan of statistical surveys.

METHODOLOGICAL GUIDELINES

The aim of statistical survey

The aim of survey on construction works is to collect the data necessary for the calculation of value index of finalised construction works, number and floor area of finished and unfinished dwellings.

Sources and methods of data collection

The source of data for the compiling of survey is enterprises which are registered in sector F according to the classification NACE Rev.2 and enterprise (KAU) whose local units perform the construction works.

Method of data collection is combined method.

The data for enterprise are collected through annual survey on construction works (GRAD-11).

The data collected by these surveys present the results of work performed by enterprises in Montenegro.

Reporting units received the questionnaire and instruction from the competent statistical services.

Observation units

Observation unit for survey on construction works are:

- enterprises with 5 and more employees which are registered in sector F – construction (area 41, 42, 43) according to the classification NACE Rev.2 and
- enterprises (KAU) which are not registered in sector F, but whose local units perform the construction works.

Coverage of survey

The survey on construction works included reporting units with 5 and more employees who are involved in construction, regardless of ownership, association form and of the origin of capital as well as reporting units (KAU) whose business units engaged in construction works.

The survey on construction works shall include:

- preparatory work involving demolition and dismantling of buildings and other structures, land clearing, excavation of foundations and other earthworks;
- works to raise the building and construction of other facilities;
- installation and finishing work on buildings;

- renting of construction machinery and equipment for construction or demolition of buildings, with operator.

The survey on construction works should exclude:

- the cost of purchasing the land;
- costs and hours of work achieved in engineering, surveying of land, supervision and control of the project, because these activities according to the Classification, do not fall in construction;
- value added tax (VAT).

The sample frame was formed on the basis of the data from Statistical Business Register, which includes all active business entities from the area of construction as well as KAU with secondary activity in construction sector.

Enterprises whose turnover is zero are excluded from the sample frame.

Reference area: The whole territory of Montenegro.

Sample: Stratified sample.

Sampling and methods of used estimation:

Initial weight W , $W = 1/f$, where is $f = nh/Nh$ (nh – sample size in a certain class of reporting units, Nh – total number of reporting units in that class obtained from database). Depending on the results obtained from the fields, initial weight is adjusted for non-response rate.

Criteria for stratification:

Reporting units are stratified by the group of employees and classified into three classes:

Class 1: 5-49 employees,

Class 2: 50-249 employees,

Class 3: 250 and more employees.

The sample includes all reporting units from the class 2 and 3, while reporting units from class 1 is selected by random sample.

Definitions of main indicators

Buildings are permanent structures with a roof and external walls, constructed as a stand-alone utility units that protect from weather and other external influences and are intended for dwelling, performing a certain activity or for placing and keeping of animals, goods, equipment used in various industrial activities and services etc. Buildings are also constructions covered with roof but without (all) walls, for example. eaves, as well as partly or completely below the surface, for example shelters, underground garages, shops and other business premises in underground passages and the like.

Residential buildings are buildings in which 50% or more of useful floor area is used for housing.

Non-residential buildings are constructions without dwelling area is less than 50% of the total floor area is intended for residential use. If at least half of the total floor area is used for housing, buildings are residential.

A *dwelling* is any residential construction unit intended for habitation, consisting of one or more rooms with ancillary rooms (kitchen, hallway, bathroom, closet, etc.) Or without them, and has one or more separate entrances directly from the hallway with staircase from the yard or the street.

Floor area (m²) is a useful floor area of the dwelling, measured inside the walls of the dwelling and presents the sum of areas of all rooms, kitchens, bathrooms, toilets and other utility rooms in the dwelling. It excludes the area of the basement and attic, which are not regulated as an dwelling or part of it, then the surface garage, boiler room, pantry, etc. as well as staircases and other common areas in multi-dwelling buildings. If you are given information on dwellings in family homes, in the usable area of the dwelling is not included in the surface of the basement, attic, stairways or corridors that connect the two dwellings (unless you connect the same room dwelling), as well as surface garage, boiler room and storage room. Sizes upgraded parts of the building (in horizontal or vertical direction) are displayed in units of measure only if they obtained such building new dwellings or commercial premises as new housing units for any purpose.

Other buildings are all constructions that are not buildings: railways, roads, bridges, highways, airport runs, pools etc.

Finished construction is every building in which they completed all planned construction, craft and installation works, so that it can be used for the purposes for which it was intended.

Value of construction work is shown at current prices and it comprises all construction material built and work spent regardless of whether such work and materials are paid or not. Data on the value of finalised construction works related to works performed in the reporting year on finished and unfinished buildings. The value of work performed by contractors - a legal person, is given on the basis of annual compilations, while the value of the work performed by individuals is given on the basis of the statement of the owner.

Harmonization with EU regulations and recommendations

The survey on construction works are harmonized with the Classification of activities NACE Rev.2 and Classification of Types of Construction – CC 1997.

Confidentiality

Data obtained from reporting units represent an official secret and used only for statistical purposes and cannot be published or made available to any user. The results of the survey are published at the aggregated level and the privacy of the individual data is completely ensured.

Organisation of survey

In accordance with the Plan and Program of Statistical Surveys, the organization of the survey refers to preparation of questionnaires and instructions to the reporting units, collection, processing and dissemination of data.

Dissemination

Data on construction works are published according to Statistical Release Calendar in Annualy release on construction works and Statistical Yearbook on web site of Statistical Office of Montenegro.

Revision of data

Statistical Office has adopted the revision policy and it is available on the web site <http://www.monstat.org/userfiles/file/o%20nama/2017/Revision%20policy.pdf>.

This survey uses regular revisions. Large and unplanned audits are only used in the specific cases defined by the revision policy.