QUALITY REPORT FOR 2018
Data on receipts and expenditures of the state and local self-government
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1. Introduction - Basic research information

1.1 Purpose, goal and subject of research

The research aims to conduct an analysis of the main fiscal indicators from the aspect of measuring their share in the gross domestic product for the observed year, as well as their absolute and relative deviation in relation to the previous year. The application of this statistical survey considers the fulfillment of one of the basic criteria when planning fiscal policy in accordance with the Law on Budget and Fiscal Responsibility, which is that the level of current expenditures and transfers should be lower than the level of current revenues and donations.

The subject of the statistical survey are public revenues (central budget revenues and local self-government revenues) by types, public spending (central budget expenditures and local self-government expenditures) by economic classification and public expenditure balance.

1.2 Legal basis

The Law on Official Statistics and the System of Official Statistics ("Official Gazette of Montenegro", No. 18/12) defines the provisions for data collection, processing and dissemination. At the same time, the Law on Budget and Fiscal Responsibility ("Official Gazette of Montenegro", No. 20/14 and 56/14) defines the provisions of the records of budget revenues and expenditures. In addition to the above, the Law on Financing of Local Self-Government ("Official Gazette of Montenegro", No. 3/19) regulates the sources of funds, the manner of financial equalization and financing of own affairs of local self-government.

1.3 Statistical units

Statistical units are all spending units at the central and local level of the state: state bodies, state administration bodies (ministries and administrative bodies), the Protector of Human Rights and Freedoms, the State Audit Institution of Montenegro, state funds, public institutions and other independent legal entities financed from the state budget, municipal bodies, local bodies and municipal public services.

1.4 Coverage and scope of research

1.4.1 Sectors

The general level of the state is included, which consists of the central and local level of the state.

1.4.2 Statistical population

The statistical population consists of spending units at the central and local levels of the state. The central level of the state consists of state bodies, state administration bodies (ministries and administrative bodies), as well as legal entities and companies that mainly provide services of public interest and which are under management control and mostly financed by the state. The local level of the state are municipal bodies, legal entities and companies that mainly provide services of local interest and which are under management control and mostly financed by the municipality.

1.5 Geographical reference area

Montenegro.

1.6 Concepts and definitions

Public revenues include budget revenues at the central level and budget revenues at the local level of the state. Budget revenues at the central level of the state include: 1) current revenues (taxes, contributions, fees, charges, concessions and other revenues); 2) receipts from loan repayment and 3) donations and transfers. Budget revenues at the local level of the state include: 1) own revenues of the municipality (real estate tax, surtax on personal income tax, local administrative fees, local utility fees, etc.); 2) revenues ceded by law (revenues from personal income tax, revenues from real estate transfer taxes, revenues from concession and other fees for the use of natural resources, etc.); 3) funds from the Equalization Fund and 4) conditional grants from the state budget.
Data on receipts and expenditures of the state and local self-government

Public spending includes budget expenditures at the central level and budget expenditures at the local level. Budget expenditures at the central level include: 1) current expenditures for: gross salaries and contributions paid by the employer, other personal income, expenditures for materials and services, current maintenance, interest, rent, subsidies and other expenditures; 2) transfers for social protection; 3) transfers to institutions, individuals, non-governmental and public sector; 4) capital expenditures for procurement and investment maintenance of financial and non-financial assets; 5) given loans and credits; 6) repayments of debts, guarantees and liabilities from previous years and 7) other payments. Budget expenditures at the local level of the state have the same coverage as budget expenditures at the central level of the state.

The public spending balance is the difference between public revenue and public spending. The public spending balance can be positive or negative. In the case when public revenues are higher than public spending, the balance of public spending is positive, while in the case when public revenues are lower than public spending, the balance of public spending is negative.

1.7 Classifications

The classification used in this statistical survey is the economic classification in accordance with the Rulebook on the unified classification of accounts for the budget of Montenegro and municipal budgets ("Official Gazette of Montenegro", No. 72/16). The economic classification referred to in Article 2 of this Rulebook shall contain: class, category, group, synthetics, analytics and subanalytics. Sub-analysis can be increased in accordance with the needs of the budget of Montenegro and the budget of municipalities.

1.8 Data collection frequency

Data are collected until August 31 of the current year for the previous year.

1.9 Dynamics of data publishing

Annual.

1.10 Methodology

This statistical survey is conducted in accordance with the Law on Budget and Fiscal Responsibility, as well as the Law on Official Statistics and the Official Statistics System. Data are collected through administrative sources.

1.11 Base period

The base period is the previous year.

1.12 Unit of measure

Data are published in millions of euros and in% of GDP.

1.13 Data source

The main data sources for this statistical survey are the SAP system in the Ministry of Finance and the financial statements of the municipalities.

2. Relevance - Data users

2.1 User needs

International users:
- International Monetary Fund;
- World Bank;
- European Commission;
- Eurostat.
National users:
- Ministries and other public administration bodies;
- Local self-governments and other local government bodies;
- Central bank.

2.2 Customer satisfaction
Not available.

3. Accuracy and reliability

3.1 Accuracy - General assessment
The data used in the analysis of consolidated public spending are preliminary, while the final data are an integral part of the Law on the Final Account of the Budget, which is adopted in the current year for the previous year.

3.2 Sampling error
Not relevant.

Sampling error indicators
Not relevant.

3.3 Non-sampling error
Not relevant.

3.3.1 Coverage error
Not relevant.

Sampling error indicators
Not relevant.

3.3.2 Measurement error
Not relevant.

Unresponsive unit rate
Not relevant.

3.4 Seasonal adjustments
Data on the items "Gross earnings and contributions at the expense of the employer" and "Rights in the field of pension and disability insurance" were obtained on the basis of time adjustment, while other items are presented by cash.
3.5 Data revision

3.5.1 Data Audit Policy
Not available.

3.5.2 Data audit practice
Not available.

3.5.3 Average data revision size
Not available.

4. Timeliness and accuracy of data publication

4.1 Timeliness
Data are published in accordance with the Annual Plan of Statistical Surveys and the Calendar of Publication of Statistical Data. The deadline for publishing data is August 31 of the current year for the previous year.

*Time gap of publication of preliminary data*
T+8 months

*Time gap of final data release*
Not relevant.

4.2 Accuracy of data publication
The actual announcement is mostly in line with the plan.

5. Availability and clarity

5.1 Announcements
The statement on receipts and expenditures of the state and local self-government can be found at the following link:


5.2 Publications
The Ministry of Finance publishes the publication at the following link:


5.3 Availability of microdata
The Law on Official Statistics and the System of Official Statistics ("Official Gazette of Montenegro", No. 18/12) regulates the rules under which external users can gain access to individual data for research purposes. Article 58 defines the types of scientific and research organizations that can obtain such data.
6. Comparability

6.1 Spatial comparability
The data are partially comparable with the data of other countries.

6.2 Time comparability
There have been some changes in the methodology, but the data are quite comparable.