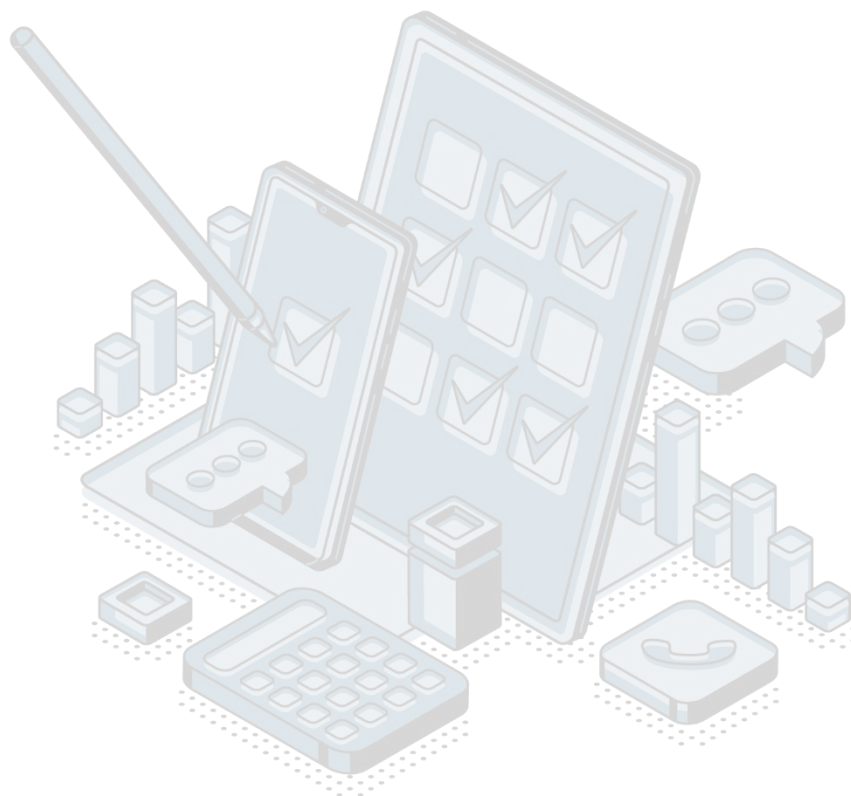


## QUALITY REPORT

# Gross national income 2022



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## 1. Introduction – Basic information on survey

### 1.1 Purpose, goal, and subject of survey

Gross National Income at market prices is equal to GDP plus the primary income which resident units receive from the rest of the world less primary income payments from resident units to the rest of the world. Those are compensations of employees that residents receive from non-residents and pay to non-residents and property income receivable by residents and payable to non-residents.

### 1.2 Legal basis

The Law on Official Statistics and Official Statistical System („Official Gazette of Montenegro“ No. 18/12 and 47/19) defines provisions for collection, processing, and dissemination of data. The Law provides to the Statistical Office clear and wide legal powers to collect and access the data necessary for the implementation of Programme and Annual Plan. The Law gives a priority to the use of administrative data and right of access to individual data that are a result of survey of other official statistical producers. As an annex to legal provisions, Statistical Office has signed several memoranda on cooperation with administrative data providers.

### 1.3 Statistical units

All economic units, legal and natural persons and households within the defined production limits in the System of national accounts - SNA 2008 and European system of accounts - ESA 2010 methodologies.

According to the international methodology ESA 2010, national accounts use two types of units and two appropriate ways of observing the economy: (a) the institutional unit; (b) local unit by type of activity (local KAU). The first type is used to describe income, expenses and financial flows, as well as for balance sheets. The second type of units is used to describe production processes as well as input-output analysis.

An institutional unit is an economic entity characterized by the autonomy of decision-making in the activities of its main function. A resident unit shall be deemed to constitute an institutional unit in the economic territory in which it has its centre of predominant economic interest if it has decision-making autonomy and either has a complete set of accounts or is able to compile a complete set of accounts.

Local KAU groups all parts of the institutional unit in its capacity as producers located in one location or in closely located locations, and which contribute to the performance of activities at the level of activity (four digits) NACE Rev. 2. An institutional unit consists of one or more local KAUs; local KAU belongs to one and only one institutional unit.

### 1.4 Coverage and scope of survey

#### 1.4.1 Sectors

The total national economy and the Rest of the world sector.

#### 1.4.2 Statistical population

Statistical population of a country's national accounts consists of all resident statistical units (institutional units or local KAUs). A unit is a resident unit of a country when it has a center of predominant economic interest in the economic territory of that country, i.e. when it engages for a longer period (one year or more) in economic activities in that territory. Compilation of national accounts data includes all statistical units, thus ensuring exhaustiveness in the calculation.

### 1.5 Reference geographical area

Montenegro.

## 1.6 Concepts and definitions

GDP - Gross Domestic Product at market prices is the final result of the production activity of resident producers and is defined in three ways:

1. GDP by production approach is the sum of gross value added in all NACE activities + Taxes less subsidies on products. Gross value added (GVA) = gross output minus intermediate consumption.
2. GDP by expenditure approach is the sum of expenditures categories:
  - a. Final consumption of households and non-profit institutions serving households;
  - b. Government final consumption;
  - c. Gross fixed capital formation;
  - d. Changes in inventories;
  - e. Exports of goods and services - Imports of goods and services.
3. GDP by income approach: Compensation of employees + Gross operating surplus and mixed income + taxes less subsidies on production and imports.

The transition from Gross Domestic Product (GDP) to Gross National Income (GNI) is possible using the data on primary income between residents and non-residents. Those are compensations of employees that residents receive from non-residents and pay to non-residents and property income receivable by residents and payable to non-residents. Transitional items from GDP to GNI are identical to the components of income in the Balance of Payments (BPM6). Compensations of employees represent the total remuneration, in cash or in kind, which the employer pays to the employee for work done by the employee during the accounting period. Property income is created when the owners of financial assets and natural resources give financial and natural resources at the disposal to other institutional units. Income that occurs using the financial assets is called investment income, while the income from the use of natural resources is called the rent. Property income is the sum of investment income and rent.

## 1.7 Classifications

- ✚ European System of Accounts (ESA 2010);
- ✚ KD 2010, which is harmonized with the European classification NACE Rev.2;
- ✚ Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6).

## 1.8 Frequency of data collection

Annual.

## 1.9 Dynamics of data collection

Annual.

## 1.10 Methodology

Following methodologies are used in compilation of national accounts data:

- ✚ System of national accounts SNA 2008, link: [Methodology SNA2008](#)
- ✚ European system of accounts ESA 2010, link: [Methodology ESA2010](#)
- ✚ Manual on the changes between ESA 95 and ESA 2010, link: [Changes between ESA95 and ESA2010](#)
- ✚ Balance of Payments and International Investment Position Manual, link: [Balance of Payments and International Investment Position Manual](#)

## 1.11 Base period

Not relevant.

### 1.12 Unit of measure

Data are published in thousands of euros.

### 1.13 Data source

In the production of Gross National Income, data on Gross Domestic Product and data from the primary income account of Balance of Payments are used.

### 1.14 Method of data collection

National accounts combine data from various statistical sources. Data collection techniques vary depending on the compilation approach, availability of data sources, publication timeliness of the specific aggregates and other factors.

## 2. Relevance – data users

### 2.1 User needs

International users:

- ✚ Eurostat,
- ✚ World Bank,
- ✚ UN organizations,
- ✚ International Monetary Fund

National users:

- ✚ Ministries and other public administration bodies;
- ✚ Local government, and other local government bodies;
- ✚ Central Bank of Montenegro;
- ✚ Non-governmental organizations;
- ✚ Students;
- ✚ Researchers;
- ✚ Media.

### 2.2 User satisfaction

The Statistical Office has adopted the Quality Management Strategy, the Guidebook to the Implementation of the Quality Management Strategy, as well as the Plan for the Implementation of the Quality Policy. In order to measure the degree to which fulfills obligations towards users and within the new quality policy, the Statistical Office conducted User satisfaction survey. The results of the survey are available on the Statistical Office website, link: [User satisfaction report](#)

## 3. Accuracy and reliability

### 3.1 Accuracy – overall

Compilation of national accounts is a complex task involving many different data sources. Accuracy and reliability is ensured by applying methodological instructions in accordance with the methodology of national accounts.

### 3.2 Sampling error

Not relevant.

### 3.3 Non-sampling error

Not relevant.

### 3.4 Seasonal adjustment

Not relevant.

### 3.5 Data revision

#### 3.5.1 Data revision policy

Statistical Office has adopted the revision policy and it is available on the website: [Revision policy](#)

#### 3.5.2 Data revision practice

National accounts data are subject to revisions in case of changes in international methodologies or if new data sources become available.

National accounts represent a wide range of data on different areas that are integrated into the national accounts system so that a change in one area will have an impact elsewhere, and therefore the revision of one part of national accounts can lead to a revision of the data in the entire system of national accounts.

#### 3.5.3 Data revision - average size

Not available.

## 4. Timeliness and punctuality

### 4.1 Timeliness

Data are published in accordance with the Annual Plan of Statistical Surveys and Statistical Release Calendar. The deadline for publishing data is the end of September of the current year for the previous year.

#### *Time lag of preliminary results*

Not relevant.

#### *Time lag of final data*

Final data are available 9 months after the reference period.

### 4.2 Punctuality

Not available.

## 5. Availability and clarity

### 5.1 Statistical Release Calendar

The Law on Official Statistics and Official Statistical System („Official Gazette of Montenegro“ No. 18/12 and 47/19) stipulates that official statistical producers prepare, update, and publish Statistical Release Calendar. It is published on the website of Statistical Office not later than 20 December for the next year, for all official statistical producers that includes date of releasing statistical data. Any change in date of releasing in the Calendar is published in advance in accordance with the Procedure on Unplanned Revisions.

### 5.2 Access to Statistical Release Calendar

The Statistical Release Calendar is available at the following link: [Statistical Release Calendar](#)

### 5.3 Releases

Releases on Gross National Income for Montenegro, link: [Releases](#)

### 5.4 Publications

Statistical Office publishes the following regular publications:

1. Statistical Yearbook,
2. Montenegro in figures,
3. Monthly statistical review.

In addition to the above regular ones, Statistical Office publishes also additional publications. Some of the most important additional publications are:

1. Women and Men in Montenegro,
2. The most often used statistical data.

All publications published by Statistical Office are available at the following link: [Publications](#)

### 5.5 Online database

Not available.

### 5.6 Access to microdata

The Law on Official Statistics and Official Statistical System („Official Gazette of Montenegro“ No. 18/12 and 47/19) regulates rules under which external users can obtain an access to individual data for needs of research. Article 58 defines types of scientific and research organizations that can obtain such data. Providing individual data without identifier is possible only upon a written request of scientific and research institutions, with purpose of performing scientific and research activities as well as international statistical organizations and statistical producers from other countries. Research entity signs the agreement with Statistical Office, and it signs the statement on respecting the confidentiality principle. Official statistical producers keeps a separate records on users and purpose of using the statistical data given to these users.

### 5.7 Metadata occupancy

Not available.

## 6. Comparability

### 6.1 Spatial comparability

By applying the Regulation (EC) No 549/2013 which prescribes the application of ESA 2010 methodology as well as other international manuals and methodological recommendations geographical comparability of data between Montenegro and other countries is enabled.

### 6.2 Time comparability

The data are comparable for the time series 2010-2022 by ESA 2010 methodology.

#### *Time comparability indicator*

Not available.