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**QUALITY REPORT 2016**

**Industrial production (PRODCOM)**

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## **1. Introduction – Basic information about the survey**

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

The aim of the annual survey of industrial production (PRODCOM) is to provide data on industrial production and turnover, on an annual basis, data on the quantities of stocks at the beginning of the year, real production (in the context that present data in particular on the service produced quantities), quantity of product consumed for further production, quantities of stocks at the end of the year and the quantity and value of sold production. PRODCOM term comes from the French language "PRODUCTION COMMUNAUTAIRE" -production community and refers to the production in the sectors of mining and quarrying and Manufacturing the Classification of Activities 2010.

### **1.2 Legal basis**

The Law on Official Statistics and Official Statistical System (*Official Gazette of Montenegro No 18/12*) 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**

Observation units for covering of industrial production (PRODCOM) are enterprises (companies) with 5 or more employees, with a turnover reported in the balance sheet for the previous year, whose main activity is industrial production (ie registered in sectors B and C of Nace Rev.2 Classification), as well as KAU of companies which carrying out the industrial production.

### **1.4 Coverage and scope of survey**

#### **1.4.1 Sectors**

Framework for a list of enterprises was established on the basis of data from the Statistical Business Register, which includes all active businesses in the industry (sections B and C of Activity Classification) as well as KAU of companies which carrying out the industrial production. From the frames are excluded entrepreneurs and companies whose turnover is zero.

#### **1.4.2 Statistical population**

Enterprises (companies) whose main activity is industrial production.

### **1.5 Referent geographical area**

The reference area is Montenegro.

### **1.6 Concepts and definitions**

The product - is a result of some industrial activities and is defined by the Nomenclature of Industrial Products for the annual survey of industrial production. The term product is used as a general, both for products that have a physical dimension, and industrial services. A finished product is any product that has reached such a degree of processing, so that the Nomenclature of Industrial products for the annual survey of industrial production given specific code and a specific name. The product is finished when its correctness checking product quality control. Defective products are not considered as finished products.

The stocks of finished products at the beginning of the year - means the quantity of the stock transfer from the previous year, with the quantities of the warehouse books in line with the established real situation after inventory.

Real production - represents the total production of the product, expressed in the appropriate measure unit, refers to the period that corresponds to the calendar year. It refers to the production which was completed in the year for which the report is submitted on the territory of Montenegro.

Under the service production - refers to the production using customer's raw materials and for his account, so that the producer does not appear as the owner of the goods, but only as service executor. Service production is presented with code, name and unit of measure provided for a given product, but in a separate row, with a special code in the column "type of production", which means the service.

Quantities consumed for further production - this item includes the consumption of products produced within the economic entity (reporting units). This is known as internal realization. The stocks of finished products at the end of the year - means the quantity of unsold products held by the producer at 31st December of the reporting year.

Sold production - takes into account the quantity of products that are delivered out of the company for which the report is submitted.

## 1.7 Classifications

NACE Rev. 2, PRODCOM

## 1.8 Frequency of data collection

Annually.

## 1.9 Frequency of data dissemination

This survey is annually disseminated.

## 1.10 Methodology

<http://monstat.org/eng/page.php?id=402&pageid=402>

## 1.11 Base period

Not applicable

## 1.12 Unit of measure

Value of sold production are expressed in Euro. Quantities of finished production are expressed in m2, m3, t, thousands of effective work, hl.

## 1.13 Source of data

Data are collected on a basis of enterprises and KAU with 5 and more employees of reporting units including Statistical Business Register (SBR) in MONSTAT which are registered in the section B-Mining and quarrying and C-Manufacturing Nace Rev. 2 classification.

## 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.
- Non-governmental organizations,
- Students,
- Researchers,
- Media.

## **2.2 User satisfaction**

With purpose of determining user satisfaction with quality data and defining their needs, Statistical Office for the first time carried out the User Satisfaction Survey in 2017. The survey was done from 1 September to 20 October. The survey link was sent to users that sent request to the official email address in period 2013-2017. Additionally, the questionnaire is put on the website of Statistical Office.

## **3. Accuracy and reliability**

### **3.1 Accuracy – Overall remark**

Not available.

### **3.2 Sampling error**

Not relevant.

#### *Indicators of sampling error*

Not relevant.

### **3.3 Non-sampling error**

Not relevant.

#### *3.3.1 Coverage error*

Not relevant.

#### *Indicators of coverage error*

Not relevant.

#### *3.3.2 Error of measurement*

Not relevant.

#### *3.3.3 Nonresponse error*

Not available.

#### *Nonresponse rate*

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 <http://www.monstat.org/eng/page.php?id=1411&pageid=1411>

#### *3.5.2 Data revision practice*

Significant revisions have only been made to reflect changes in methodology.

### 3.5.3 Data revision - average size

Not relevant.

## 4. Timeliness and punctuality

### 4.1 Timeliness

Data are published 180 days after the reference period.

#### *Time lag of the first results*

The number of days (or weeks or months) from the last day of the reference period to the day of publication of first results:  $T1 = dfrst - dref$ ,  $T1 = 35$  days,  $dfrst$  - release date of first results;  $dref$  - last day (date) of the reference period of the statistics. Deadlines for balance of coal data during 2016 are published according to the Statistical Release Calendar.

#### *Time lag of the final results*

The number of days (or weeks or months) from the last day of the reference period to the day of publication of complete and final results. Data for balance of electricity are published 180 days after the end of the reference period in accordance with release calendar.

### 4.2 Punctuality

All deadlines in 2016 are fully respected (100%).

## 5. Availability and clarity

### 5.1 Release

Release is available on the website.

### 5.2 Publication

Statistical Office publishes the following regular publications:

1. Monthly Statistical Review,
2. Statistical Yearbook,
3. Montenegro in Numbers,
4. Annual Statistics of Transport, Storage and Connections,
5. Number and Structure of Business Entities.

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

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

All publication published by Statistical Office are available at the following link: <http://monstat.org/eng/publikacije.php>

### 5.3 Availability of microdata

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12) 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

## **6. Comparability**

### **6.1 Comparability - geographical**

The survey methodology is the same as in other European countries, which is why our survey is geographically comparable with EU countries.

### **6.2 Comparability - over time**

Comparable data have been published since 2010 on the site: <http://monstat.org/cg/page.php?id=507&pageid=34>.