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QUALITY REPORT 2016

Monthly survey on retail trade

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1. Introduction – Basic information about the survey

1.1 Purpose, goal and subject of the survey

The aim of this survey is the assessment of the total turnover and monitoring the dynamics of turnover in retail trade. Retail trade index can be used for research of current trends and conditions on the consumer goods market, from the viewpoint of changes in the commodity turnover, and seasonal and other changes in the volume of sales and trade by commodity groups and as input for National accounts statistics. The data set refer to retail trade turnover value and volume indices. Value indices show turnover movements in current prices. Volume of sales indices in retail trade represents the changes in the value of turnover in constant prices. Retail trade survey is harmonized with the regulation of European Union No. 1165/98, Classification of activities NACE Rev.2 and COICOP Classification.

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

Units of statistical observation and reporting for which data are provided are enterprises with main activity in the Statistical Business Register is in Division 47 NACE Rev2.

1.4 Coverage and scope of survey

1.4.1 Sectors

Reporting units are all enterprises (companies) whose main activity is trade and who are in the Statistical Business Register registered in the area of 47 NACE Rev2. Entrepreneurs and enterprises with turnover = 0 are excluded.

The classification of the company is done according to the size of the turnover:

Class 1: 0 - 24 999 Euro,

Class 2: 25 000 - 199 999 Euro,

Class 3: 200 000 - 999999 Euro,

Class 4: 1 000 000 - 4 999 999 Euro,

Class 5: more than 5 000 000 Euro.

1.4.2 Statistical population

The sample frame was based on the data from the Statistical Business Register and includes all active enterprises in the retail trade area 47 NACE Rev2. Entrepreneurs and enterprises with turnover = 0 are excluded.

Classes are determined by turnover of companies:

Class 1: 0 - 24 999 EUR

Class 2: 25 000 - 199 999 EUR

Class 3: 200 000 - 999999 EUR

Class 4: 1 000 000 - 4 999 999 EUR

Class 5: more than 5 000 000 EUR.

The sample includes all companies in the class 4 and 5 and the rest is determined by random sampling. Groups are determined by activity of enterprise (NACE Rev2):

GROUPS ACTIVITY (KD_NACE_Rev2)

1 4730

2 4711

3 4721+4722+4723+4724+4725+4726+4729

4 4773+4774+4775

5 4751+4771+4772+4759+4753+4763+4743+4754+4752+4761+4762+4764+4765+4776+4777+4778+4741+4742
6 4779

7 4791+4781+4782+4789+4799+4791

8 4719.

1.5 Referent geographical area

The whole territory of Montenegro.

1.6 Concepts and definitions

Indices of turnover in retail trade at current prices show the dynamics of the turnover of retail trade in the referent period. Indices of turnover in retail trade at constant prices show the dynamics of turnover volume of retail trade in the referent period. Turnover of goods with VAT - the value of the total turnover that the enterprise realized during the reporting month on the territory of Montenegro and is presented in Euro. This variable includes the total turnover that the enterprise has achieved, regardless of whether it has been realized in retail or in any other activity.

VAT - is the value of the value added tax that is calculated by the buyer.

The number of employees - defined as the total number of employees working in the observation unit (including the working parties, regular and unpaid family workers) as well as persons working outside the unit to which they belong and which they pay (eg. sales representatives, workers on delivery, repairs and maintenance teams). It also includes workers who do not work full time under the law of the country and who are not on the payroll, as well as seasonal workers, craftsmen and home-based workers who are on the payroll. The number of hours worked includes hours of work that a person performs in business activities during the reporting month. Research variables are in accordance with ESS standards.

1.7 Classifications

NACE Rev. 2 and COICOP

1.8 Frequency of data collection

Monthly.

1.9 Frequency of data dissemination

Monthly according to the Statistical Data Release Calendar.

1.10 Methodology

Methodology of retail trade survey is available on MONSTAT website:

<http://www.monstat.org/userfiles/file/trgovina/2014/Metodologija%20trgovine%20na%20malo%20ENG.pdf>

1.11 Base period

The base year is 2010.

1.12 Unit of measure

Turnover - in Euro. Number of employees - counted numerically. Changes compared to the previous periods – percent (%).

1.13 Source of data

Data are collected on a sample of reporting units including Statistical Business Register which are registered according to 47 NACE Rev. 2 classifications. Enterprises fill in data on the basis of bookkeeping records.

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,
- 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. The processing of data obtained by the mentioned survey is ongoing, while final result are ready until the end of year, both for total users satisfaction, and by domains.

3. Accuracy and reliability

3.1 Accuracy – Overall remark

The monthly retail trade survey results are based on a sample of reporting units and are subject to the usual types of errors associated with sampling techniques, as well as non-sampling errors, measurement errors, processing errors and non-response.

3.2 Sampling error

A monthly retail survey is based on a sample. All companies with an annual turnover of more than EUR 1 000 000 (classes 4 and 5) have been included, and have remained selected by the random sample method, so there is a logical error in the random sampling. A variation coefficient is a relative measure (percentage) of the accuracy of an estimate. Along with these measures, a lower and upper limit of a confidence interval is calculated.

Indicators of sampling error (A1)

Sampling error is regularly calculated for each month for turnover index on the level of Division 47. Standard error for turnover chain index of December 2016 for Retail trade – total turnover of Division 47 (as defined in Annex C of STS Regulation), is 0,01. Coefficient of variance is 0, 01.

3.3 Non-sampling error

Non-sampling errors are tied to other errors that are not related to the sample. Non-sampling errors include: Coverage errors, Measurement errors, Processing errors and Non-response errors.

3.3.1 Coverage error

Coverage error is the divergence between the frame population and the target population. The coverage errors include: over – coverage and under – coverage.

Indicators of coverage error (A2)

Over - coverage is appearing when a company which is registered in 47 (the area that is the subject of observation) deliver information to deal with the some other activity (not retail), and in case when the company is closed. In a survey of retail trade there are not many such cases. Only 1.18% of the units in the sample in 2016 are defined as over - coverage, which did not affect the final result. Under - coverage can cause an underestimation, because those units that have remained outside the frame can affect the final result. For this reason, the real impact assessment units which are not included in the coverage. The under - coverage includes units engaged in retail, and are registered in other activities, as well as those companies which are registered in the course of the observed year, and beyond the frame for the choosing of the sample. Share of under - coverage in 2016 was 11.1%.

3.3.2 Error of measurement

Measurement errors are errors that occur during data collection and cause recorded values of variables to be different from the true ones. Indirect analysis based on the results on editing phase is implemented for correction. Each year the reporting units is required for the same variables, which makes it easier to fill out the questionnaires.

Nonresponse rate (A4)

The unit non response rate is calculated as the ratio of the number of units which did not responded to the total number of eligible units (unweight rate). In the monthly survey of retail trade average unit non response rate in 2016 was about 12,1%.

3.4 Seasonal adjustment

Not available.

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

Not relevant.

3.5.3 Data revision - average size (A6)

Not relevant.

4. Timeliness and punctuality

4.1 Timeliness

The first results are published 35 days after the end of the reference month. Questionnaires are sent to reporting units at the beginning of the year (questionnaires are sent for all 12 months in the year). The deadline for replies is 15 days after the reference month. In the case of data collection via Internet application for reporting units is opened 20 days after the end of the reference month. The survey is in general closed 25 days after the reference month.

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: $T1 = d_{\text{first}} - d_{\text{ref}}$, $T1 = 35 \text{ dana}$ d_{first} - release date of first results; d_{ref} - last day (date) of the reference period of the statistics. Deadlines for publication retail trade data during 2016 are published according to the Release Calendar. The Release Calendar is available on the Monstate website <http://www.monstat.org/eng/page.php?id=12&pageid=12>

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. Retail trade data are published 35 days after the end of the reference period in accordance with release calendar. Information on the new release are treated as preliminary until the next release. Time gap of publication of final data in the monthly releases retail trade 75 days.

4.2 Punctuality TP3

Accuracy indicator represents the time difference between Actual date of the effective provision of the statistics and Scheduled date of the effective provision of the statistics. $P3 = d_{\text{act}} - d_{\text{sch}}$ In retail trade survey, punctuality = 0, which means that we have met the calendar: not earlier and not later published.

5. Availability and clarity

5.1 Release

New release are available on the MONSTAT website: <http://www.monstat.org/eng/page.php?id=334&pageid=38>

5.2 Publication

Statistical Office publishes the following regular publications:

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

Methodology of our retail trade survey is the same as in other European countries that is the reason why our data are comparable geographically with data of other EU countries.

6.2 Comparability - over time

Retail data have been published since 1955 on an annual basis (processed by the Federal Statistical Office of Yugoslavia). Until 2006, all retailing enterprises, regardless of their activities, were in the sample frame. Since 2006, the data are calculated according to the new methodology and only the enterprises registered in the 47 KD2010 (retail trade) are located in the sample. Comparable data have been available since 2006.