



**MONTENEGRO
STATISTICAL OFFICE**

IV Proleterske 2, 81000 Podgorica

Tel: +382 (0) 20 230 811

Fax: +382 (0) 20 230 814

E-mail: contact@monstat.org

QUALITY REPORT 2016

Foreign affiliates statistics

Responsible person: Tatjana Popovic

Department: Department for foreign trade statistics, structural business statistics and foreign affiliates statistics

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1. Introduction – Basic information about the survey

1.1 Purpose, goal and subject of the survey

The objective of inward statistics of foreign affiliates survey (IFATS statistics) is to collect data on domestic affiliates that are controlled by non-resident institutional units.

The goal of the outward foreign affiliates survey (OFATS statistics) is to collect data on foreign affiliates that are controlled by resident institutional units. The data obtained as a result of the research of the OFATS statistics are not published as they are confidential in accordance with Article 60 of the Law on Official Statistics and sistem of the Official statistics.

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.

Statistics on the structure and activity of foreign affiliates FATS is based on Regulation no. 716/2007 which defines the methodology for collecting, calculating, checking and publication of data on the operations of foreign affiliates.

Other regulations that supplement and / or change the methodological framework set by regulation

716/2007 are:

- Regulation no. 747/2008, the amendments to Regulation br.716 / 2007, and refers to the definitions of characteristics which are collected in this study, as well as the application of the classification NACE Rev. 2.
- Regulation no. Regulation 364/2008 is to supplement br.716 / 2007 regarding technical format for the transmission of data statistics of foreign branches and variations that will be granted to the Member States.
- Regulation no. Regulation 834/2009 is to supplement br.716 / 2007 regarding the definition of criteria for assessing the quality of the research.II. Methodological guidelines

1.3 Statistical units

The units of statistical observation for which the data are produced are enterprises in foreign ownership, listed from FDI survey compiled in Central bank, classified in sectors B to N, AC 2010 in the Statistical Business Register.

1.4 Coverage and scope of survey

1.4.1 Sectors

In accordance with FATS Regulations this survey include enterprises that are registered in the following sectors:

- Mining and quarrying - division 05-09,
- Manufacturing - division 10-33,
- Electricity, gas, steam and air conditioning supply - division 35,
- Water supply; sewerage, waste management and remediation activities - division 36-39,
- Construction - division 41-43,
- Wholesale and retail trade; repair of motor vehicles and motorcycles - division 45-47,
- Transportation and storage - division 49-53,
- Accommodation and food service activities - division 55-56,
- Information and communication - division 58-63,
- Real estate activities - division 68,
- Professional, scientific and technical activities - division 69-75,
- Administrative and support service activities - division 77-82.

1.4.2 Statistical population

Reporting units are enterprises.

1.5 Referent geographical area

The data relate to the entire territory of Montenegro

1.6 Concepts and definitions

Turnover includes all invoiced duties and taxes on goods or services in person, excluding value added tax (VAT). The production value measures the amount of actually produced goods and services in a unit, based on sales, including changes in stocks of goods and services as well as their resale. Intermediate consumption at purchase prices is the value of products and services that are transformed, used or consumed in the production process. Gross value added is the difference between gross production value and intermediate consumption. Purchases of goods and services include the value of all goods and services purchased during the accounting period for resale or consumption in the production process. Personnel costs are the total salaries paid to employees (regular, temporary workers, and employees of The households) by employers, for previously performed work during the reference period. Personnel costs also include taxes and social security contributions of employees and the company, as well as compulsory and voluntary social contributions for employers. Gross investments in tangible assets are investments during the reference period in all tangible goods. Included are new and existing tangible capital goods, whether bought from third-person or produced for own use and which have a useful life longer than one year.

1.7 Classifications

CA 2010 which is harmonized with the European classification of activities NACE Rev. 2

1.8 Frequency of data collection

Data are collected annually.

1.9 Frequency of data dissemination

Annually.

1.10 Methodology

The methodology is available on the website of Statistical Office of Montenegro:

http://www.monstat.org/userfiles/file/sbs/statistika%20stranah%20filijala/metod_uputstvo-fats-engl.pdf

European Commission Regulation that is defining a methodology for collecting, calculating, checking and publication of data on business of domestic and foreign affiliates is located at the following link: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:171:0017:0031:EN:PDF>

1.11 Base period

Not applicable

1.12 Unit of measure

Thousand EUR

1.13 Source of data

Data sources are business entities, residing in Montenegro, operated by a business entity with headquarters outside the country as well as economic entities abroad under the control of economic entities based in Montenegro.

The used framework for internal and external statistics of foreign affiliates is Business register and the register of Foreign direct investments survey conducted by Central Bank of Montenegro. All activities Nace Rev. 2 of B - N, except sectors K (Financial and insurance activities) are covered for internal statistics of foreign affiliates, and all activities Nace Rev. 2 of B - S, except sectors O (Public administration and defense; compulsory social security) are covered for external statistics of foreign affiliates

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. 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

Not applicable

3.2 Sampling error

Not applicable

Indicators of sampling error

Not applicable

3.3 Non-sampling error

Not applicable

3.3.1 Coverage error

Not applicable

Indicators of coverage error

Not applicable

3.3.2 Error of measurement

Not applicable

Nonresponse rate (A4)

Not applicable

3.4 Seasonal adjustment

Not applicable

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 applicable

3.5.3 Data revision - average size (A6)

Not applicable

4. Timeliness and punctuality

4.1 Timeliness

The data are published on the date determined by the Calendar of publishing statistical data - end of October for the previous year.

Time lag of the first results

Not applicable

Time lag of the final results

Not applicable

4.2 Punctuality

Not applicable

5. Availability and clarity

5.1 Release

The data for IFATS are available in the form of an annual release published on the official website:

<http://www.monstat.org/eng/page.php?id=1241&pageid=67E>

The data for OFATS are not published due to small number of enterprises in the scope of this study, in accordance with the "Law on Official Statistics and Official Statistical System No. 18/12, Article 60" confidentiality of data.

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 Statistixal 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 research methodology is in line with the EU Regulations, which enables comparability between countries

6.2 Comparability - over time

Data by NACE Rev. 2 2 classification is available from 2013.