

4.18. Chapter 18: Statistics

EU rules require that Member States are able to produce statistics based on professional independence, impartiality, reliability, transparency, and confidentiality. Common rules are provided for the methodology, production and dissemination of statistical information.

Montenegro has achieved **some level of preparation** in the area of statistics. **Some progress** was made in the past year, notably on harmonising its statistical methodology with EU standards and by publishing some GDP time series in line with the European System of Accounts (ESA) 2010.

However, significant efforts are needed, especially to ensure the alignment of macroeconomic and business statistics with EU standards.

In addressing the shortcomings outlined below, in the coming year Montenegro should in particular:

→ considerably strengthen the human and financial resources of the Statistical Office of Montenegro (Monstat);

→ further align its statistics with ESA 2010, including government finance statistics.

On **statistical infrastructure**, the legal framework is in line with the European statistics Code of Practice. The Statistical Office of Montenegro (Monstat) is the main producer and overall coordinator of statistics. Its professional independence is enshrined in law. However, its administrative capacity is still limited due to insufficient resources: only 105 of 200 available posts have been filled, providing insufficient means for addressing shortcomings in relation to the closing benchmarks. The 2016 budget was increased by 20 %, but the premises of the office remain inadequate.

Monstat has signed 14 memoranda of understanding with administrative data providers, including 2 in the reporting period. Coordination of producers of official statistics continued to improve, though it needs to be further strengthened. The main classifications (NACE Rev. 2, ISCO-08, NUTS, CPA, GEONOM and ISCED 2011) are in compliance with the EU *acquis*. Monstat uses three statistical registers: the business register, the territorial units register and the statistical farm register, which are partly aligned with the EU *acquis*.

Data transmission to **Eurostat** continued and additional data were transmitted, but further improvement is still needed. The use of administrative sources should be increased.

Continued efforts will be needed to align **Macro-economic statistics** with ESA 2010, though progress was achieved in the reporting period. Monstat compiles annual and quarterly gross domestic product (GDP) using the production and expenditure approach in current and constant prices. In this reporting period annual and quarterly GDP time series for 2010-2014 according to the ESA 2010 methodology were submitted to Eurostat. Furthermore, Monstat published the GNI for 2010-2014 in accordance with the ESA 2010 methodology on its website. Monstat does not yet compile annual or quarterly sector accounts.

Considerable efforts are needed to develop government finance statistics, financial accounts and supply and use tables. The Central Bank compiles statistics on the balance of payments and these are partially aligned with the EU *acquis*. Foreign direct investment statistics are also partially in line with the EU *acquis*.

The harmonised index of consumer prices (HICP) and purchasing power parities (PPP) are mostly aligned, with the HICP inventory submitted in November 2015. The excessive deficit procedure (EDP) tables were submitted for the first time in October 2014 and continued to be submitted in the reporting period, but they are only partially aligned with ESA 2010. For the purpose of implementing ESA 2010, a trilateral agreement between Monstat, the Central Bank and the Ministry of Finance was signed in May 2016. This should help establishing a closer cooperation between the three institutions.

In structural **business statistics** and short-term business statistics (STS), further quality improvements, the introduction of kind-of-activity units and an increased coverage of variables are necessary. In STS compliance has improved over the reporting period, but further improvement is necessary, in particular for the service sector. The Business Register represents a good basis for statistical production and sampling, but needs more frequent updates and better coverage of small businesses. PRODCOM (list of products of the European Community) is aligned, but no foreign affiliates' statistics (FATS) have been received by Eurostat. Tourism statistics are partially compliant and in April 2016 a survey on tourist activity of the Montenegrin population started for the first time; statistics on air transport have not been received by Eurostat, but statistics on maritime transport is partially aligned and work on road freight statistics has started. Research and development data are in line with the EU *acquis*.

In **social statistics**, the survey of income and living conditions (EU-SILC) is conducted since 2013, but further compliance is needed. Initial steps were taken to implement the European system of integrated social protection statistics (ESSPROS). Labour market statistics are broadly aligned with the EU *acquis*, work started to produce structure of earnings data but the labour cost index still needs to be compiled. Crime statistics are partially in line with Eurostat's annual data collection requirements. Eurostat receives migration flow data without metadata and has not yet received data on asylum and acquisition and loss of nationality.

Agricultural statistics are partially aligned with the EU *acquis*. Crop production data of improved quality were recalculated for the period 2007-2013 and sent to Eurostat in October 2015 together with the data for 2014. In addition, the data for 2015 have been sent in July 2016. Work started on economic accounts for agriculture, the agricultural price index and the agriculture labour input. **Energy statistics** are fully compliant for annual data and partially compliant for monthly data. Energy price statistics are fully compliant. In **environment statistics**, waste statistics are partially compliant. Statistics on environmental accounts, which include among others protection expenditure and material flow accounts, have not yet been received by Eurostat.