



Montenegro
Government of Montenegro
STATISTICAL OFFICE OF MONTENEGRO
IV Proleterske 2
81000 Podgorica
Tel: +381 (0)20 241 206
Fax: +381 (0)20 241 270
E-mail: contact@monstat.org

STATISTICAL OFFICE OF MONTENEGRO

ANNUAL REPORT 2010

Aimed at continuous developing the statistical system of Montenegro, Statistical Office continues the compliance process of official statistics with the EU standards. A complete harmonisation of all statistical surveys according to the “acquis communautaire” in statistics is the main aim of Statistical Office in the upcoming period.

Statistical Office performs and develops its activities by the dynamics defined by:

- Programme of Statistical Surveys 2009-2013;
- Annual Plan of Conducting Statistical Surveys which is adopted every year with the aim to implement the Programme;
- Development Strategy of Statistics 2009-2012, and
- Montenegrin National Programme of Integration in EU (Chapter 3.18 Statistics).

All activities and development of statistics are defined according to the “acquis communautaire”, through the following documents:

- Community Statistical Programme 2008-2012;
- Statistical Work Programme of the Commission, and
- Statistical Requirements Compendium.

During 2010 Statistical Office carried out all statistical surveys defined by Annual Plan of Statistical Surveys, and continued harmonisation of the mentioned with the EU regulations.

In March 2010 Statistical Office replied to additional questions within the EC questionnaire related to Chapter 18 **Statistics**. Additionally, Statistical Office directly or indirectly participated in providing input for other chapters.

In December, Statistical Office finished Chapter 3.18 Statistics of NPI for Montenegro for period 2011-2015.

Documents adopted during 2010:

- Law on Census of Population, Households, and Dwellings in 2011;
- Annual Plan of Statistical Surveys for 2011; and
- Calendar of Publishing Statistical Releases for 2011.

Documents processed toward responsible bodies:

- Law on Classification of Activity;
- Law on Official Statistics and Statistical System of Montenegro; and
- Decree on Standard Classification of Occupations.

Activities in international field in 2010:

- IPA 2007 national project – a project which started in August 2009, and which covers three components: quality system in statistics, macro-economic statistics and business statistics. By regular visits of key experts and short-term experts, the project is implemented according to the defined plan,
- IPA 2008 multi-beneficiary project –started on 1 December 2009, and it covers period of 20 months. The ICON Institut is a company responsible for its implementation. The programme comprises 11 pilot projects (foreign trade statistics; price statistics -PPP; price statistics – HICP; preparation for population census; vacancy statistics; national accounts; Economic Account in Agriculture - EAA; transmission of results from European Statistical System in Eurostat; structural business statistics; PRODCOM and business statistics),
- IPA 2009 multi-beneficiary project –started on 1 December 2010, and it covers period of 24 months. The ICON Institut is responsible for its implementation. Programme comprises 10 pilot projects (foreign trade statistics; price statistics - PPP, national accounts, balance of payment, survey on labour costs, labour costs index, migration statistics, energy statistics, dissemination, support to users),
- IPA 2010 national project – a final project draft was sent for review. Statistical Office positively replied, and agreed upon the project proposal. The proposal was sent to the European Commission for a final reply,
- International Monetary Fund (IMF) –annual assistance project in area of national accounts through a mission long-term expert (August 2009 – August 2010). Additionally, short-term assistance missions in the mentioned area will be continued in the future,

- Regional SIDA project – organisation of meetings participated by representative of Statistical Office, and funded through the IPA multi-beneficiary projects,
- The Adapted Global Assessment of the National System of Official Statistics of Montenegro (AGA) was undertaken in the frame of the EU-funded project ‘Global assessments of statistical systems of candidate and potential candidate countries as well as ENP countries’ by an assessor team including experts from ICON-INSTITUT Public Sector GmbH and the European Commission (Eurostat). The assessment was carried out in period from 8- 12 March 2010. After the mission, the report with recommendations was submitted.

Short description of activities conducted and initiated within carrying out statistical surveys:

- Gross Domestic Product (GDP) for 2009 was published in September 2010.

As a result of better implementation of recommended methodologies in NA system, ESA 95 and SNA 93, there were received relevant indicators related to growth, value and structure of GDP. GDP for Montenegro in current prices for 2009 was EUR 2 980.9 million. The real growth rate calculated as a ratio between GDP in constant prices 2009 and GDP in current prices for 2008 was negative (5.7%), while the nominal growth calculated as a ratio between GDP in current prices of current year and GDP in current prices of previous year was negative, i.e. 3.4%.

The calculation results were improved since the calculation of constant prices by expenditure approach was done for the first time.

Aimed at improving quality of annual GDP calculation by production approach and introduction of quarterly GDP, Statistical Office did preparations for introducing pilot survey on Income, expenditure and stocks (PRZ¹) during 2010 that are to be conducted during 2011. Statistical questionnaire PRZ was produced in accordance with current accounting standards in Montenegro. The purpose of creating and further conducting the PRZ survey is to receive more detailed data necessary for the calculation of the most important economic indicator – GDP.

Adopted practice is that the data on GDP is published in September of current year for previous year.

During 2010 there was partly updated publication “Detailed description of sources and approaches for calculation in national accounts within IPA 2008 multi-beneficiary assistance programme. The final deadline for updating this document is March 2011.

- Consumer Price Index is compliant with Eurostat methodology. The data are monthly published.

¹ PRZ is a short name of survey in Montenegrin language.

- Statistical Office has recognised the fact that quality inflation rate must be produced, and accordingly the Statistical Office started to work on new questionnaires for collecting retail prices.

New questionnaires are produced based on COICOP classification, i.e. they are divided in 12 divisions covering the total of 39 homogenous product and service groups. In this manner, homogenous products from certain areas will be collected.

During 2011 these questionnaires will be used in practice by sending them to the field.

- For Harmonised Index of Consumer Prices there was produced a plan for introducing this index, and an optimal list of representative products and services that will be collected for the purpose of this index. Activities on collection of products and services are started and collection will start in January 2011.

The plan defines the publication of this index from February 2011.

- Producer price index (producer price of industrial products) was monthly published in accordance with Plan and Programme of Statistical Surveys.
- In relation with producer prices of industrial products in domestic market, producer prices of industrial products for export, and price of industrial products from import, there were collected prices, their control performed, as well as data enter and processing.
- Index list for transition from classification NACE-rev1 to NACE- rev2 up to the level of product was prepared.
- Within project Purchasing Power Parity (PPP) in 2010, there were carried out two surveys for consumption goods: *House and garden*, and *Transport, hotels and restaurants*.
- A survey in construction was carried out in area of construction by Plan and Programme for 2010.

Within foreign trade statistics, during 2010 the following was done:

- Compliant with Annual Plan of Statistical Surveys for 2010, there were carried out two monthly releases on foreign trade statistics, and data for Statistical Yearbook for 2010,
- New form and contents of release on foreign trade statistics were done,
- Special trade system was implemented in processing and publication of foreign trade statistical data,
- A questionnaire of global assessment of statistical system of Montenegro was drafted,
- There were held regular meetings with representative of Customs Authority and Central Bank of Montenegro,
- Preparations for Unit Value Index was done,
- One expert mission was carried out with the help of two experts. One of experts was responsible for improving methodologies and assessing the current situation in statistics of foreign trade. Other expert was responsible for technical assistance and support for problems related to the Eurotrace program funded by Eurostat,
- A revision of foreign trade data for period between 2005 and 2009 was done with purpose of harmonisation of methodologies. In this manner, uniformity

and complete data comparability were achieved. A new release on foreign trade statistics was done with revised data,

- A new classification was implemented – classification by Broad Economic Category - BEC.

Statistical Office carries out a survey on structural business statistics producing the most important data on business activities of enterprise and their units. Additionally, registers are constantly updating, with keeping records on any change occurred.

A new part of Statistical Business Register (SBR) referring to group of enterprise was done. There was established a database based on survey on business activities of medium and large enterprises, their owners and belonging to individual groups of enterprises out of Montenegro.

We have significantly contributed to reducing business barriers, i.e. the procedure for registration business activity has been simplified for business entities. Thus, a part of activities done within Statistical Office (giving identification numbers to business entities), after professional assistance provided by Statistical Office, became a responsibility of Central Register of Commercial Court from 1 June 2010. Administrative register that is under our responsibility from the mentioned date keeps only records in institutions, state bodies, non-governmental organisations, trade union organisations, and sport organisations.

Classification of activity, NACE Rev.2 is prepared and ready to be implemented.

Transition to new classification was done in SBR and statistical surveys based on it, time series are produced and the data were "returned" to base 2005. For a certain time period, a "double coding" shall be used because of demand of certain surveys. In front of SBR is now the introduction of new KAU units by type of activities and implementation of a very complicated method for defining the main activity, such as "top-down" method.

Survey on tourism was improved with the introduction of household budget survey, so that the data necessary for preparations and introduction of tourism satellite account are received. There was introduced and successfully implemented quarterly survey on turnover in services that will be carried out for needs of quarterly GDP calculation. Statistical Office has prepared a significant part for starting with the calculation of industrial production index by value, i.e. by turnover, instead of calculation of previous industrial production index by volume.

Significant efforts are put in the improvement of statistics of energy, since there is an increasingly growth of requests and demands for this type of statistics.

There were performed activities on carrying out quarterly survey on construction permits. Reporting units in this survey are local self-governments. Quality of data obtained from reporting units were not satisfying, and thus, the data from quarterly survey on construction permits were not published.

Regular data collection within the statistics of births, deaths, marriages and divorces also continued in 2010. The estimation of number of population by gender, age, and municipalities was done. Within the statistics of migration, the data on internal and external migrations are collected.

For all above mentioned surveys, the dynamics of data receiving is monthly, and the data are published at the annual level. Monthly publication of first results was done in Monthly Statistical Review, compliant with deadlines defined in the Annual Plan of Statistical Survey for 2010. Additionally, compliant with deadline defined in the Calendar for Publishing Statistical Releases, the data prepared are published in Statistical Yearbook, as well as the data for website which are final for all surveys for 2009. Release on natural changes of population and internal migrations in Montenegro in 2009.

Under the preparations for carrying out the Census of Population, Households, and Dwellings in 2011, a body for management of census preparation activities was established. The mentioned body adopted activity plan and budget for carrying out the census. Additionally, instruments for carrying out the census were developed: census questionnaires, Guideline for Enumerators, methodological guideline, and other guidelines compliant with the Law. Pre-training was organised for state instructors for census in October. Also, a number of other activities were carried out aimed at preparing and carrying out the census.

Compliant with Annual Plan and Programme of Statistical Surveys, the annual release on Household Budget Survey (HBS) 2009 was published in May 2010. The release was published on the website of Statistical Office. Control of received field material, preparation of material for processing, and control for eight months of 2010 are regularly performed.

- Minimal consumer basket is officially published in January 2010.

There are published releases of Statistical Office on website for eleven months of 2010 compliant with Annual Plan and Programme of Statistical Surveys.

- Poverty analysis for 2009 was published in November 2010.

The data were prepared based on HBS. The release is published on website of Statistical Office.

- Survey on employees and earnings was published on website of Statistical Office, and in Monthly Statistical Survey according to Annual Plan and Programme of Statistical Surveys.
- Pilot quarterly survey on labour costs was performed. The survey collects the data on total costs of employer based on engagement of labour force. The data collected by applying appropriate methods provide a possibility to observe level, structure, scope of costs in labour force market of Montenegro.
- In statistics of education, researches, and development, culture, justice and administration, there were performed all surveys according to Annual Plan and Programme of Statistical Surveys, and deadlines from Calendar of Publishing Statistical Releases for 2010 were respected.

Within the Department for Statistics of Education, Research, and Development, Culture, Justice, and Administration, employees participated in the first regional workshop on strengthening statistics for area of justice and internal affairs in Western Balkan, organised in Skopje under project “Coordinated statistical reporting of Eurostat and UN”. The organiser was UNODC in cooperation with Ministry of Justice of Montenegro. Additionally, a meeting with representatives of UNESCO and Ministry of Education and Science was organised aimed at improving quality and data dissemination in area of education.

Under the statistics of production covering livestock production and crop production, the data are ready for 2009 on: areas; fruit trees; grapevines; production and domestic processing; data on number and balance of livestock; milk production; eggs, wool, and honey.

➤ The Census of Agriculture was carried out for the first time in Montenegro. It was carried out in period from 7 to 21 June 2010. All family agricultural holdings were enumerated using the interview method “door-to-door”, as well as business entities by the regular post. The preliminary data were published in July 2010. The final data will be successively published up to the end of 2011.

➤ Within agro-monetary statistics, pilot survey – Quarterly report on expenditures and agricultural production of holdings, and pilot survey on prices were carried out.

➤ Within the statistics of fishery, the data for 2009 were collected on the catch of sea and freshwater fish, employed persons, fishing objects, vessels, fishery equipment, production and catch of fish, production of spawn and progeny, and consumption of food in fishponds.

➤ Within the statistics on environment, statistics of waste collects the data on waste by municipalities.

The data on industrial waste are collected but neither processed, nor published. These data will be published in 2011.

➤ Within the statistics of water, the data are collected on water usage by sources and manner of use, waste water, purification of waste water, re-use and recirculation of water, water purification plants and cooling, property, value, costs of maintenance and use of plants, number of penalties due to non-respecting regulation on water production, etc. Water capture and type of water source and system, number of system users, facilities and irrigation devices, irrigation method, areas irrigated, etc. Quantities captured and water used from all water sources, as well as quality of these waters classified by water class.

➤ Within the statistics of air, the data on fuel and raw material consumption for the purposes of engine and technology are collected.

➤ In the statistics of forestry, there are collected data on forest products for 2010, data for 2009 on forest cultivation, data on use of state and private forests, data on damages in state forests and fire damages in private forests, as well as there are collected and processed, but not published data on construction facilities,

roads and machinery. The data on hunting for 2010 are collected and published.

In 2010, in addition to work on previous applications, programs and their updating, Statistical Office continued to work on drafting new applications for surveys carried out because of data compatibility, and data production compliant with Eurostat demands, as the following:

- Census of Agriculture,
 1. Application for control of contingents,
 2. Application for logical and calculation control,
 3. Application for post-enumeration survey,
- Work on MetaData application,
- Application for pilot quarterly survey on expenditures and agricultural production of holdings,
- Application for survey – QSOS (quarterly survey),
- Application for survey ŠO-R/K ,
- Producing forms for Census of Agriculture,
- Providing equipment for data entering, and installation of network and equipment for Census of Agriculture,
- Updating a new website,
- Installation of eDAMIS-a (program for data transmission to Eurostat),
- IT support for introduction of new classification of activities - NACE Rev2, introduction of new classification of occupations and foreign trade data revising from 2005 to 2009.,
- Transition for time series to new classification of activities - NACE Rev2 for surveys: Rad-1, INV01, final reports for entrepreneurs, GRADJ 31,
- Census of Population,
 1. Application for entering,
 2. Application for coding schools, occupations, and activities,
 3. Application for quality and coverage control of Census of Population, Households, and Dwellings in 2011,
- Application for new type of data collection on migrations and for surveys DEM1 and DEM2 (the data are in electronic form obtained through the Ministry of Interiors),
- Application for pilot survey *ICT Usage in Enterprises*.

Under the publication activity, in addition to the above mentioned publications, Statistical Office also published the following publications:

- Monthly Statistical Review, 12 issues,
- Releases: 133 issues,
- Montenegro in Numbers for 2010,
- Statistical Yearbook of Montenegro for 2010.

