



**STATISTICAL OFFICE OF  
MONTENEGRO**

**METHODOLOGICAL GUIDELINES**  
**INDUSTRIAL PRODUCTION (PRODCOM)**

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### **The legal basis**

The legal basis for the implementation of annually survey of industrial production is the Law on Official Statistics and Official Statistical System of Montenegro ("Official Gazette of Montenegro", No. 18/12 and 47/19) and Annual Plan for statistical surveys.

## **METHODOLOGICAL GUIDELINES**

### **The aim of statistical survey**

The aim of the annual survey of industrial production (PRODCOM) is to provide data on quantity of industrial production on territory of Montenegro, quantity of sold production and turnover (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.

A particular aim is to calculate the average value per unit of the product. It is the ratio of value of sales (sold production) of product / quantity of sold production. This data is then used to calculate the weights at the product level.

The data are used to monitor the volume and dynamics of movement of the physical volume of industrial production, turnover, analysis of the scope and changes in the structure of industrial production, changes in the structure of industrial production's overall economic developments.

### **Sources and methods of data collection**

Method of data collection is sample-based survey.

Data are collected from reporting units that represent the movement of total industrial production and turnover in the industry, and therefore the results obtained on the basis of this study are annual changes in industrial production and turnover (sold production), as well as the most important variables collected in this survey.

The annually survey of industrial production data collection applies to the reporting method. Each reporting unit itself fills a report on the IND-21 based on the accounting and other records.

Reporting unit receives questionnaires and instructions from the competent statistical services.

### **Observation 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.

### **Coverage of survey**

Framework 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.

Covered geographical area: *The territory of Montenegro*

### **Definitions of main indicators**

*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.

*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.

*Sold production* - takes into account the quantity of products that are delivered out of the company for which the report is submitted and for which an invoice was issued. It is presented in two ways:

- 1) Quantities of products in the appropriate measure unit
- 2) Value of sold production, in thousand EUR.

Value of sold production does not include VAT (value added taxes)

*The average price* - represents the average value per unit of the product, expressed in euro. It is calculated by dividing the value of sold production and quantity of sold production. Although such obtained average value per unit of the product may contain an internal variability when one

product nomenclature includes more related items that vary by model, size and quality, data on the average value of the product per unit of measure is accepted for further conversion.

All results from the survey of industrial production (PRODCOM) are processed at the level of individual products from the PRODCOM list, as well as the value of sales of the product, taking into account the protection of individual data.

The PRODCOM survey uses different concepts of production for which expression exist special rules (coding, evaluation, etc.). Terminology and definitions are entirely taken over from the definition laid down for the PRODCOM EU survey. Reporting unit is obliged to consider them well before completing the questionnaire, in order to avoid erroneous presentation of data on industrial production in PRODCOM survey.

*The quantity of sold production in the reporting year is equal to:*

the total quantity of stocks at the beginning of the year + real production - the quantities consumed for further production - the total quantity of stocks at the end of the year

### **Harmonization with EU regulations and recommendations**

Main regulation that defines the content, scope, classification and other rules related to conducting of this survey is Regulation (EC) No. 3924/91. The survey of industrial production (PRODCOM) are harmonized with this regulation. The NACE rev. 2 Classification of Activities and current PRODCOM list are also use.

### **Confidentiality**

Data obtained from reporting units represent an official secret and used only for statistical purposes and cannot be published or made available to any user. The results of the survey are published at the aggregated level and the privacy of the individual data is completely ensured.

### **Organisation of survey**

In accordance with the Plan and Program of Statistical Surveys, the organization of the survey refers to preparation of questionnaires and instructions to the reporting units, collection, processing and dissemination of data.

### **Dissemination**

Industrial production data are published according to Statistical Release Calendar in Annually release of Industrial production (PRODCOM), Statistical Yearbook on web site of Statistical Office of Montenegro.

### **Revision of data**

Statistical Office has adopted the revision policy and it is available on the website <http://www.monstat.org/userfiles/file/o%20nama/2017/Revision%20policy.pdf>.

This survey uses regular revisions. Large and unplanned audits are only used in the specific cases defined by the revision policy.