QUALITY REPORT 2018

Turnover index in services

Responsible person: Milena Jolic

Department: Department for Business Statistics and Short-term Indicators
1. Introduction – Basic information about the survey

1.1 Purpose, goal and subject of the survey
A quarterly survey on service turnover aims to measure the dynamics of the movement of turnover in service activities. Quarterly measurement of the turnover index is suitable for short-term observations and economic development analyzes. The dynamics of the movement of the phenomenon is measured through the index, and not by the expression of the absolute level of occurrence.

1.2 Legal basics
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
The units of observation are all companies in Montenegro who submitted VAT registration to the Tax Administration of Montenegro. Coverage is based on EU Regulation no. 1165/98 for short-term statistics (Annex D) and its amendments.

1.4 Coverage and scope of survey

1.4.1 Sectors
The survey on turnover in service sector includes all business entities (legal units, tradesmen and free lances) if their prevailing activity is one of the following: G_XG47, H, I, J, M_X_M701,721,722,750 i N_X_N771,772, 773,774,811,813 NACE Rev.2. Entrepreneurs and enterprises with turnover = 0 are excluded. Data are broken down by number of employees:
- Class 1: 0 – 9
- Class 2: 10 – 49
- Class3: 50 – 249
- Class 4: >250

1.4.2 Statistical population
The sample frame was based on the data from the Business Register of the Statistical Office of Montenegro and includes all active businesses in the areas of G_XG47, H, I, J, M_X_M701,721,722,750 i N_X_N771,772, 773,774,811,813 Nace . Rev.2.

1.5 Referent geographical area
The whole territory of Montenegro.

1.6 Concepts and definitions
Indices of turnover in other services show the dynamics of the turnover in the observed sector. Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties. Turnover includes all duties and taxes on the goods or services invoiced by the unit with the exception of the VAT invoiced by the unit vis-a-vis its customer and other similar deductible taxes directly linked to turnover.
Number of employees - defined as the total number of employees who work in the observation unit (including working proprietors, partners working regularly and unpaid family workers). Hours worked including working hours which employees are held in operating activities during the reporting quarter.

1.7 Classifications
NACE Rev. 2

1.8 Frequency of data collection
Quarterly.

1.9 Frequency of data dissemination
Quarterly.

1.10 Methodology
Methodology of other services survey is available on MONSTAT website: http://www.monstat.org/userfiles/file/Ostale%20usluge/2018/1/Metodologija%20Indeks%20prometa%20uslugama.pdf

1.11 Base period
The base year is 2015.

1.12 Unit of measure
Turnover - in Euro
Number of employees - counted numerically
Changes compared to the previous periods – indices numbers

1.13 Source of data
The source of data is administrative - Tax Administration of Montenegro (data on traffic based on VAT declaration).

1.14 Method of collection data
At the end of the quarter, the Statistical Office receives a database in electronic form from the Tax Administration on the following variables: on turnover, calculated by VAT and the number of employees of all economic entities.

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
The Statistical Office has adopted the Quality Management Strategy, the Guidebook to the Implementation of the Quality Management Strategy, as well as the Plan for the Implementation of the Quality Policy. In order to measure the degree to which fulfills obligations towards users and within the new quality policy, the Statistical Office conducted User satisfaction survey. Data collection was carried out through a web survey, in the period from 1 September to 20 October, 2017. The results of the survey are available on the Statistical Office website, link: http://www.monstat.org/userfiles/file/KVALITET/Izvjestaj%20o%20zadovoljstvu%20korisnika%20eng.pdf

3. Accuracy and reliability

3.1 Accuracy – Overall remark
The quarterly other services survey results are based on data (VAT registration) which we obtain from the Tax Administration.

3.2 Error processing the data
The collected data goes through a series of processes before the final grade, which is: encryption, input, editing, imputation, weighting, tabulation, etc. Errors made in these phases are called processing errors.

Imputation rate
Not available.

3.3 Data revision

3.3.1 Data revision policy
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

3.3.2 Data revision practice
Quarterly survey of services uses regular revisions. Large and unplanned revisions are only used in the specific cases defined by the revision policy.

3.3.3 Data revision - average size (A6)
Not available.

4. Timeliness and punctuality

4.1 Timeliness
The first results are published 50 days after the end of the reference quarter.

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:
\[ T_1 = \text{dfrst} - \text{dref}, \]
T1 =505 days dfrst - release date of first results
dref -last day (date) of the reference period of the statistics.
Deadlines for publication other services data during 2018 are published according to the Release Calendar. The Release Calendar is available on the Monstate website: http://monstat.org/userfiles/file/o%20nama/2018/Kalendar%20objavljivanja%20statistickih%20podataka%20Zavoda%20za%20statistiku%20-%20ENGg.pdf

**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. Services data are published 50 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 services releases is 110 days.

**4.2 Punctuality TP3**
The accuracy indicator represents the time difference between the actual publication of the data and the planned publication of the data.

\[ P3 = dact - dsch \]

As for the research of other services, the accuracy = 0, which means that the data is published in accordance with the Calendar of publication of data.

**5. Availability and clarity**

**5.1 Statistical Release Calendar**
The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12) stipulates that official statistical producers prepare, update, and publish Statistical Release Calendar. It is published on the website of Statistical Office not later than 20 December for the next year, for all official statistical producers that includes date of releasing statistical data. Any change in date of releasing in the Calendar is published in advance in accordance with the Procedure on Unplanned Revisions.

**5.2 Access the data Release Calendar**

**5.3 Releases**
New release are available on the MONSTAT website: http://www.monstat.org/eng/page.php?id=1475&pageid=33

**5.4 Publication**
Statistical Office publishes the following regular publications:
1. Monthly Statistical Review,
2. Statistical Yearbook,
3. Montenegro in Numbers,

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

5.5 On-line databases
Data of turnover in services are available on web site: http://monstat.org/eng/pxweb.php

5.6 Access to micro data

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.

5.7 Metadata occupancy
The ratio of the number of metadata elements provided to the total number of metadata elements applicable. For a quarterly other services survey, the metadata fill rate is 100%.

6. Comparability

6.1 Comparability - geographical
Methodology of services 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 Time comparability
Comparable data have been published since 2010.

*Time comparability indicator*
Length of comparable time series indicator is calculated as follows:

\[ CC1 = J_{\text{last}} - J_{\text{first}} + 1 \]

J_{\text{last}} - number of the last reference period with disseminated statistics.
J_{\text{first}} - number of the first reference period with comparable statistics.

Length of comparable time series: 6 years.