

SESSIONS OF THE COUNCIL OF STATISTICAL SYSTEM HELD IN 2018

THE FIRST SESSION

An e-session of the Council of Statistical System was held on 12 February from 2 p.m. to 13 February 2018, up to 2 p.m. in the premises of Statistical Office.

- Agenda of e-session of the Council of Statistical System had one item: obtaining approval for the proposal of the ***Report on Implementation of 2017 Official Statistics Annual Plan***.

Pursuant to Article 26 of the Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12), and based on the reports on implementation of 2017 Official Statistics Annual Plan submitted by all official statistics producers, Statistical Office has an obligation to submit a comprehensive report to the Ministry of Finance for further processing to the Government of Montenegro which observes and adopts it.

Out of total 17 members of the Council of Statistical System, the majority of members has sent by email the consent for the proposal of the Report on Implementation of 2017 Official Statistics Annual Plan. In accordance with Article 10 item 4 of the Rules of Procedures of the Council of Statistical System, the proposal of ***Report on Implementation of 2017 Official Statistics Annual Plan*** has been adopted and obtained a positive opinion.

THE SECOND SESSION

Session of the Council of Statistical System was held on 3 December 2018, at 1.30 p.m., in the premises of Statistical Office.

The agenda of the session was:

1. Adoption of the minutes from the previous e-session of the Council of Statistical System;
2. Expert opinion of the Council of Statistical System on proposal:
 - 2019-2023 Official Statistics Development Strategy with the Action Plan,
 - 2019-2023 Official Statistics Programme, and
 - 2019 Official Statistics Annual Plan.
3. Miscellaneous.

In accordance with Article 5 of the Rules of Procedures of the Council of Statistical System, the president of the Council, Mr Fabris defined the quorum for holding the session as well as the agenda of the session. After agenda and the minutes from the previous e-session adopted, the second item of the agenda followed.

Ms. Bojana Radojevic, MSc, gave comments concerning the second item of agenda pointing out that the **2019-2023 Official Statistics Development Strategy** defines development directions and aims of Montenegro official statistics. The purpose of the document is to define long-term

aims for the development of Montenegro official statistics, users' needs and establishment of permanent dialogue with them through the development of partnership.

The 2019-2023 Official Statistics Development Strategy comprises seven strategic aims with the accompanying indicators and activities leading to the implementation of defined aims, as well as the Action Plan that defines the implementation of aims, manner of reporting and competent bodies for their implementation.

The education of statisticians as data scientists, by innovative solutions, used of new data sources, further harmonization of official statistics with international standards and principle of the European Statistics Code of Practice are challenges representing development strategic aims of the Official Statistics Development Strategy in the following period.

The 2019 – 2023 Official Statistics Programme is planning the implementation of 234 statistical activities of different periodicity (multiannual, ten-year, five-year, four-year, three-year, biannual, annual, semi-annual, quarterly, monthly and weekly). Out of the total planned statistical activities, there are 175 statistical activities (i.e. 75%) under the competence of Statistical Office, and there are 59 activities (i.e. 25%) under the competence of other official statistics producers.

The 2019 Official Statistics Annual Plan envisages 222 statistical activities, out of which there are 175 (79%) under the competence of Statistical Office, and 47 (21%) will be implemented by other official statistics producers.

A representative of Ministry of Finance, Ms. Iva Vukovic gave a comment on the 2019 Official Statistics Annual Plan and the 2019 – 2023 Official Statistics Programme that two additional pilot statistical surveys under competence of Ministry of Finance: (1) Government finance statistics in line with ESA 2010; and (2) Report on Excessive Deficit and Debt, not to be a part the 2019 Official Statistics Annual Plan, but to prolong their implementation as pilot surveys for the year 2020. It was explained that the Ministry of Finance is in the process of defining administrative and human resource capacities and that it is not possible implement the proposed pilot surveys. It was especially pointed out that even 2020 for the pilot statistical surveys 'Government Finance Statistics in line with ESA 2010' is also under question.

Additionally, the representative of Ministry of Finance has informed the members of the Council of Statistical System that the proposed statistical surveys are delegated to the Directorate for State Budget in line with the new Rulebook on Job Description of Ministry of Finance, and not to the Directorate for Economic and Development Policy as it has been up to now. The Directorate for Economic and Development Policy will monitor macroeconomic surveys and structural reforms and will not be competent for the affairs of planning income, on any fiscal indicators or publication of statistical reports.

In accordance with the mentioned, she concluded that it is appropriate to put the mentioned pilot statistical surveys in the 2019-2023 Official Statistics Programme, but with the start of the implementation from 2020, to avoid reporting on obligations which will be not under the competence of Directorate for Economic and Development Policy.

A representative of Statistical Office, Ms Branka Susic-Radovanovic, MSc said that the production of Annual Plan and of Programme of Official Statistics has been done in a way which follows the EU *acquis*, having in mind process and dynamics of the European integration. All mentioned surveys has been introduced with the intention to cover all those expected from the EU from us and all those for which we have obtained the suggestions in the previous period by Eurostat and EU. The mentioned two surveys are pilot surveys and results of those surveys are not published, what was also mentioned in the 2019 Annual Plan.

Accordingly, Five-Year Programme mentions all those surveys nominated by Ministry of Finance, in line with the EU regulations and ESA methodology, and accordingly two mentioned surveys meeting in such a manner both national needs and EU requirements. She also pointed out that if there is problem and risk for the mentioned surveys to be implemented (financial resources, human capacities), there is possible to explain the reasons of non-implementation.

A representative of Ministry of Finance, Mr. Radovan Zivkovic has mentioned that the mentioned surveys cannot be implemented during 2019, no matter if they are pilot statistical surveys or not, due to the reason which was presented to the members of the Council of Statistical System by the representative of Ministry of Finance, Mr. Branko Krvavac, as it follows:

- There is no Register of Institutional Units;
- Underdevelopment of administrative data sources;
- Insufficient administrative capacities.

A representative of Statistical Office, Ms. Branka Susic-Radovanovic, MSc, explained that the building of the Register of Institutional Units is clearly divided, having Statistical Office responsible for a part of non-financial units, Ministry of Finance for a part of units belonging to the government sector, and Central Bank of Montenegro for a part of financial units.

After comments, by the majority of votes from the present members of the Council of Statistical System, there was given an opinion that the implementation of pilot statistical survey 'Government finance statistics in line with ESA 2010' and Report on Excessive Deficit and Debt is to start in 2020.

The next suggestion regarding the tourism statistics was given by a representative of scientific and research institutions, Mr. Rade Ratkovic, PhD, said that there is no sector of accommodation and food, that is very important and should be introduced in the mentioned documents. He also pointed out that there are different pieces of information on tourism, and there would be needed the data on tourism at the monthly level, and not estimations in tourism, because the statistical data are those that are relevant.

Mr. Ivo Zupanovic, PhD, a representative of business associations visited the present at the session of the Council of Statistical System held on 20 March 2017, where it was said "respecting the national interest for the data on arrivals and overnight stays of tourists in private accommodation, Statistical Office will continue with the data collection, and according to the new

methodology (development and coverage of new administrative sources), the data will be published at the annual level from 2018 (the 2017 data)".

He pointed out that when observing the official data from the private accommodation, the statistics is insufficient and a methodology must be produced enabling the observation at the monthly level of overnight stays of tourists in private accommodation. He pointed out that there are official data on collective accommodation, but not on private accommodation at the monthly level, that there is an internal communication inside institutions when they are in focus and they are not an official data. According to the mentioned, there must be a simultaneous work both on adequacy and accuracy of statistics, when private accommodation is observed, and the data must be possessed at the monthly level, because this survey cannot be permanently removed. Key users of these data are, in addition to state bodies and other institutions from the area of tourism, also general public and academia that have to give a certain opinion on the tourism data which we wait until the first quarter of the next year.

A representative of the Statistical Office, Ms. Branka Susic-Radovanovic, MSc pointed out that the Programme of Official Statistics was available to general public for comments and proposals, but no suggestions from users' side was regarding organization and development of this area of tourism. There is no current mechanism, with no idea or methodology that could be implemented so that tourism is to be currently better covered.

The president of the Council of Statistical System, Mr. Nikola Fabris, PhD pointed out that the problem pointed out by Mr. Rade Ratkovic, PhD and Mr. Ivo Zupanovic, PhD is very serious.

He reminded the members of the Council of Statistical System that this problem was already discussed during previous sessions of the Council of Statistical System and that a working group was established at the level of official statistical system (not by the members of Council). The working group had a large number of meetings, but no solution for this area of tourism was found out.

Mr. Ivo Zupanovic, PhD pointed out that the coordinator of this working group was Mr. Kilibarda and he tried to access correctly the data from the mentioned area in tourism, but by cross-matching the data from different sectors, it was not possible to obtain a final conclusion. It is considered that this problem is at the country level and that it cannot be solved at the level of the Council of Statistical System, on what the president Fabris agreed.

Voting followed after the discussion regarding the proposal of 2019-2023 Official Statistics Development Strategy with the Action Plan, proposal of 2019-2023 Official Statistics Programme, and proposal of 2019 Annual Plan of Official Statistics. All present members voted 'for', thus the strategic documents received a positive opinion which is necessary for further processing of documents toward the Government of Montenegro.

Under item 'Miscellaneous', the president of the Council of Statistical System, Mr. Nikola Fabris, PhD said that an error, made in the previous period, is to be corrected, in accordance with Article 16 of the Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro

No 18/12), to publish expert opinion and proposal of the Council at the webpage of the Council, at least for 2018, or maybe for earlier years.

At the end of the session, the president of the Council of Statistical System, Mr. Nikola Fabris, PhD said that the following conclusions from the session of the Council of Statistical System are to be included in the minutes:

1. It is necessary to improve the statistics of tourism and introduce the accommodation and food sector as the most important of part of tourism and this has to be a task at the country level;
2. A positive opinion is obtained for three strategic documents, having two pilot surveys under competence of Ministry of Finance: Government finance statistics in line with ESA2010; and Report on Excessive Deficit and Debt not to introduce them in the 2019 Official Statistics Annual Plan, but to prolong them for 2020, and
3. To publish expert opinion and proposals of the Council at the webpage of the Council – Statistical Office.

The minutes prepared by,

Ms. Rena Lazovic