

18 Annex - Statistics

151. DEVELOPMENT STRATEGY OF STATISTICS 2009-2012

**DEVELOPMENT STRATEGY OF STATISTICS IN MONTENEGRO
2009-2012**

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I. INTRODUCTION

Complete integration with European Statistical System and applying of regulation on work of European statistics becomes main challenge to Statistical Office of Montenegro-MONSTAT. Official statistics plays double role in the process of stabilization and accession: first, as separate chapter of acquis; second, official statistics serves to other areas providing data for monitoring of alteration and evaluation of influence of chosen politics. Thus, Strategy of Development of Statistics in Montenegro is determined by strategic goal of Montenegro-integration with EU, which supposes accelerating of process of harmonisation of official statistics with standards of EU since reliable and comparable statistical data represent precondition for successful negotiations.

Development of statistical system is composite processes which requires continuous dialogue with users of statistical data, reporting units and other carriers of activities of official statistics, with continuous monitoring and apply of international standards. Special attention in that process is paid to establishment and maintaining of certain human and material resources. Because of that, Strategy of Development of Statistics in Montenegro in period 2009-2012 is document which purpose is to define strategic, priority goals, as well as general principle and criteria for acting of official statistics. In same time, the Strategy will represent a basis for making of Action Plan i.e. for defining statistical activities, dynamic of implementation and planning of results for period of strategic management of official statistics defined by this Strategy.

For the purpose of middle-term planning of development of official statistics it is ongoing making of Program of Statistical Surveys in period 2008-2012, which is based on worked out idea of statistical product and Annual Plan of Surveys which is provided by a short-term document, elaborates statistical activities up to level of statistical surveys.

Strategy of Development of Statistics in Montenegro is determined by mission, vision, strategic areas and goals. Planned development is estimated at basis of needs of domestic and international users of statistical data and tasks, which expect statistics, by upcoming accession to European Union. Development, which was planned by this Strategy, is necessary and possible and its implementation depends on providing needed human and financial resources and assistance of international institutions.

II MISSION

The task of official statistics is to provide quantitative and representative information on economic, demographic, social and environmental issues in Montenegro to all users according to internationally defined methodology and highest professional standards. Data for national needs and international dissemination are provided with minimum costs.

Modern approach of management, professional education of staff, regular harmonisation with international standards, orientation towards users, modernisation of process and improvement of working conditions are the most important activities that provides Statistical Office of Montenegro to fulfil its mission.

III VISION

Our vision is that Statistical Office of Montenegro will be recognised as institution which provides internationally comparable data in accordance with needs of users in national and international level.

Statistics is based on principles of relevance, impartiality, reliability, transparency, timeliness, professional independence, rationality, consistency, publicity, statistical confidentiality and use of personal data exclusively for statistical purposes.

IV STATISTICAL SYSTEM OF MONTENEGRO

Statistical system of Montenegro or its participants are carriers of statistical activities, responding units and users of statistical data.

Apart from the Statistical Office of Montenegro (hereinafter referred to as MONSTAT), according to Law on Statistics and Statistical System official producers of statistics are:

- Central Bank of Montenegro;
- Commission for Securities;
- Public body in charge of custom service ;
- Public body in charge of tax system;
- Public body in charge for financing;
- Central Register of Commercial Court ;
- Other bodies determined by Programme;

In accordance with Law on Statistics, MONSTAT is in charge of development of statistical system, coordination, elaboration and implementation of Programme of Surveys, elaboration of Strategy of development of Statistics, determination, updating, maintenance and monitoring of harmonisation of methodological basis of statistical system in cooperation with other producers of statistics. It is also entitled to give instructions to other producers of statistics on implementation of methodology; communication with international institution and other jobs determined by Law.

Responding units are legal persons or its parts, entrepreneurs, natural persons, households, public bodies, local governance bodies and other persons who give data exclusively for statistical purposes.

Users of statistical data are in all areas of economical and social life, certain citizens, business subjects, bodies or legislative, executive and justice authority, bodies of state governance and local governance, academic, scientific and research institutions and non-governmental organisations and European and other international institutions.

In order to improve statistical culture and knowledge and to fulfil the needs of users of statistical data, Government of Montenegro has established Council of Statistical System as advice giving expert body for issues of statistics and statistical system of Montenegro.

V STRATEGIC AREAS AND OBJECTIVES

Strategic areas of development of Montenegrin statistics in period 2009-2012 are determined by priority of harmonisation of Montenegrin statistics with EU standards and from the other side with present situation and real possibilities of statistical system.

Strategy of development is made in four areas:

1. Methodology of calculation of statistical data in accordance with EU standards;
2. Code of Practice of European statistics;
3. Strengthening of cooperation of institutions of statistical system in accordance with European standards;
4. Human resources and organisation of work.

Strategic aims of certain areas determine changes that will provide harmonisation of strategic areas with European statistical system. Also, objectives set by this strategy are derived from National program of integration of Montenegro in European Union for period 2008-2012 and as such they will present base for comparison with international statistical systems that contributes to strengthening of confidence in statistics.

5.1 Strategic objectives

Main strategic objectives define starting point (description of present situation), general objective and main directions of acting, as well as individual goals which by that acting official statistics should achieve.

5.1.1 Methodology of calculation of statistical data in accordance with EU standards

Starting point: Main task is to show objective picture of real environment in state according to internationally accepted methodology. Fulfilling of that aim means continuous development of monitoring system and measurement of situation and changing in time in accordance with international methodology.

General objective: Complete application of international statistical standards and classifications.

Individual objectives:

- In present surveys it should be applied new methodological solutions resolving pass over mechanism for their application;
- New surveys should be introduced in system completely harmonised with EU standards using successful practice of EU members;
- Make rationalisation of current infrastructure and way of realisation of statistical surveys by merging two or more surveys in one;
- Methodological coherence - in system can not enter data which is result of internal methodology and which is not in compliance with international standards and classifications;
- Promoting of methodology in part of appliance of information and technological solutions in collecting and processing the data;
- In accordance with EU practice, it should be paid big attention to terminological and methodological unifying of definitions and ideas in order to provide mutual usage and interactive comparison of statistical indicators of official statistics and statistics of EU countries.

5.1.2 European Statistics Code of Practice

Starting point: Confidence in official statistics depends in big measure on respect of widely accepted directions which were set in canon of European statistics and main principles of official statistics of UN. Code of European statistics brings 15 key principles for production and dissemination of official statistics and institutional environment where national statistical authorities and statistical authorities of Union function in good way. Code of work of European statistics also determines quality of statistical data.

General objective: provide complete appliance of rules defined by Code of European statistics at level of complete statistical system.

Individual objectives:

- *Institutional environment* – Institutional and organisational factors have significant influence on efficiency and reliability of statistical institution which produces and does dissemination of statistics. Relevant aspects of strengthening of institutional environment are following:
 1. **Professional independence**- professional independence of statistical services from other political, legislative and managing authorities and private sector as well ensure credibility of European statistics.
 2. **Mandate for collecting of data**– Statistical bodies must have clearly defined by law mandate for collecting of information for needs of European statistics. Managing authorities, enterprises, households and public in general must have, according to law, obligation to provide approach or to submit data for needs of European statistics and on request of statistical bodies.
 3. **Adequacy of Resources** – The resources available to statistical authorities must be sufficient to meet European statistics requirements.

4. **Quality Commitment** – All ESS members commit themselves to work and co-operate according to the principles set up in the Quality Declaration of the European Statistical System.
 5. **Statistical Confidentiality** – The privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes must be absolutely guaranteed.
 6. **Impartiality and Objectivity** – Statistical authorities must produce and disseminate European statistics respecting scientific independence and in an objective, professional and transparent manner in which all users are treated equally.
- *Statistical Processes* – European and other international standards and good practices must be fully observed in the processes used by the statistical authorities to organise, collect, process and disseminate official statistics. The credibility of the statistics is enhanced by a reputation for good management and efficiency. The relevant aspects of statistical processes strengthening are:
 7. **Sound methodology** – Sound methodology must underpin quality statistics. This requires adequate tools, procedures and expertise.
 8. **Appropriate statistical procedures**– Appropriate statistical procedures implemented from data collection to data validation must underpin quality statistics.
 9. **Non-excessive burden on respondents** – The reporting burden should be proportionate to the needs of the users and should not be excessive for respondents. The statistical authority monitors the response burden and sets targets for its reduction over time.
 10. **Cost Effectiveness** – Resources must be used effectively.
 - *Statistical Output* – Available statistical data must meet users' needs. Statistics complies with the European quality standards and serve the needs of national institutions, European institutions, governments, research institutions, business concerns and the public generally. The important aspects of statistical output are:
 11. **Relevancy** – The statistics must meet the needs of users
 12. **Accuracy and Reliability** – The statistics must accurately and reliably reflect reality.
 13. **Timeliness and Punctuality** – The statistics must be disseminated in a timely and punctual manner.
 14. **Coherence and Comparability** –The statistics should be consistent over time and comparable between regions and countries; it should be possible to combine and make joint use of related data from different sources.
 15. **Accessibility and Clarity** – The statistics should be presented in a clear and understandable form, disseminated in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.

5.1.3 Strengthening of cooperation between statistical system institutions according to European standards

Starting Point: Insufficiently developed cooperation between statistical system institutions with obligatory basis (decrees and memorandums on cooperation).

General Objective: To develop official statistics system in compliance with international and national needs and demands.

Individual Objectives:

- To define responsibility of all institutions—statistical producers for data quality;
- To strengthen the role of MONSTAT as coordinator and methodological leader among other statistical producers, which will have positive impact on coherency, integrity, and use of standard classifications and definitions for building of statistical indicators;
- To sign Memorandum on Cooperation between statistical producers. Integral and coherent picture on the social and economic state of a country is only possible by use of the identical statistical standards;

- To create information system according to the statistical system concept. The data producer is responsible to create databases coming within its competence with all data available to the users and regulated by the Law;
- To increase the use of administrative sources, i.e. to reduce the burden of reporting units;
- To provide conditions and timeliness so for implementation of monitoring of harmonisation of statistical system with EU standards (Statistical Management Information System - SMIS+).

5.1.4 Human Resources and Organisation of Work

Starting Point: High sensitivity to labour drains what has an impact on the sustainability of statistical system.

General Objective: To develop mechanisms for reduction of labour drain working on statistical tasks.

Individual Objectives:

- To adopt the organisation of work in compliance with European statistics;
- To ensure and improve timely human resources with the professional trainings;
- To harmonise working conditions with European standards on the earnings and working environment;
- To ensure constant professional improvement through different forms provided by the international institutions, as well as to open possibility for master study enrolment in the area of statistics;
- To set up a monitoring system of internal productivity and working results, thus creating environment for timely problem-solving and planning of further improvement and promotions of employees;
- To ensure proper premises for MONSTAT.

VI INDIVIDUAL OBJECTIVES

Individual objectives of the Strategy are the result of elaboration of the strategic goals and priorities of the statistics set up by the National Plan of Integration. Thus, the most important changes corresponding to the needs of statistical data users and compliant with international standards should be done first in the national accounts and economic statistics, and then in social statistics.

6.1 Macroeconomic Statistics and Prices

Within the segment of macroeconomic statistics, there is an extensive plan and a number of strategic goals that MONSTAT intends to achieve. A new European approach and new way of GDP calculation have been implemented through CARDS 2003 project and in cooperation with IMF. Gross Domestic Product (GDP) is calculated in current and constant prices at annual level by two approaches – production and expenditure. SNA 93 and ESA 95 will be further implemented in the next period. The existing calculation will be improved, and special attention will be put on the implementation of new macroeconomic aggregates and accounts. The completion of all institutional sectors is planned: non-financial, financial, government sector, non-profit institutions servicing households, sector of households in order to observe overall economy, i.e. economic activities. The focus will be put on gradual development of national accounts according to ESA sequence, i.e. development of the complete set from the category of current accounts.

One of the important aims, especially with regard to the expectations of Montenegro towards the EU accession, is gradual development of quarter calculation of Gross Domestic Product (GDP) by production and expenditure approach.

In the area of price statistics, the harmonisation of Consumer Price Index and introduction of completely harmonised calculation model according to COICOP classification will continue whereby the European standards for measuring and monitoring of inflation trends will be included. The participation in the regional project on calculation and comparison of Purchasing Power Parities (PPP) with other countries in the region, as well as with EU member states will continue.

6.2 Business Statistics

Main strategic targets for development of business statistics are development of Structural Business Survey (SBS) and short-term business statistics.

The primary aim regarding SBS is to establish a consistent system of SBS harmonised with EU, thus enabling collection and dissemination of reliable, comparable, and timely structured indicators on the economic activities of enterprises. Mentioned survey should complete the data received from the financial reports and tax statistics as a basis for calculation of indicators on business entities and their activities according to EU standards. Additionally, results of SBS will be used also as a basis for calculation of GDP.

The most changes were planned within the harmonisation of short-term indicators with EU standards and recommendations – by definition and coverage, in industry, construction, trade, tourism, investments, and transport. Short-term business statistics has broad use, and especially for analysing of structure and evolution of business activities, business of economy cycles and trends.

6.3 Foreign Trade Statistics

One of the most important tasks during the process of accession of Montenegro into EU is monitoring of trade in goods abroad. Thus, the introduction of Intrastat is planned as a new survey monitoring the trade in goods of EU member states based on reports of business entities participating in this trade, which will continue by the monitoring of goods traded with third countries, based on customs statements.

It should be necessary to implement EU regulations and methodology, and to define legislation, responsible and participants in the introduction process of Intrastat.

6.4 Agricultural Statistics

Agricultural statistics is one of the priority statistics in the accession of Montenegro to the European Union. Agricultural statistics includes structural statistics (Agricultural Census and structure of agricultural holdings), production statistics (crop production, livestock production), agro-monetary statistics, forestry, fishery, and environmental statistics.

The main strategic aim of agricultural statistics is implementation of Agricultural Census that will provide qualitative and internationally comparable data intended for the needs of agricultural policy, planning and implementation of sustainable development.

For this reason a Register of Agriculture will be drawn up based on radical revision of existing agricultural statistics will be made, and which will form, at the same time, the basis for new surveys.

Statistical Register of Family Agricultural Holdings will be drawn up based on Agricultural Census and it will form the revision of the current agricultural statistical surveys and the basis for new surveys. Organised, reliable and updated Register of Family Agricultural Holdings is a good basis for all surveys in the agricultural statistics. Beside the increase of collected data quality, a role of the Register is also reduction of expenses for statistical surveys implementation by the selected representative samples.

One of important aims is establishment and development of agro-monetary statistics according to EU standards.

Environmental statistics will also be developed, municipal and industrial waste survey will be improved, as well as current surveys on water management will be revised.

6.5 Demography Statistics and Population Census

Pilot Population, Households, and Dwellings Census 2009, passing of the Law on the Census of Population, Households and Dwellings during 2010, as well as implementation of the Census 2011 is planned to be realised in the next period.

For the first time projections of population will be done in 2012, after the Census.

Drafting of projections of population 2005-2050 and introduction of the Survey on External Migration according to EU regulation are planned among other development activities in demography statistics.

6.6 Labour Market, Living Conditions, Social Services and Household Consumption Statistics

Labour market is defined as statistical data related to employment, data regarding employees and unemployed, data on earnings and other incomes. Labour Force Survey (LFS) is completely harmonised with international standards and it is carried out monthly, i.e. weekly with quarterly data publishing. Definition of the basic labour force contingent was done in accordance with international recommendations and definitions were used, so that the information received from LFS are the main data source in the area of labour statistics and LFS data are comparable in terms of content and methodology with the data in other countries. In statistics of earning and labour costs the monitoring and implementation of international standards will continue in the next period. The key indicators for the needs of monitoring and implementation of the Poverty Reduction Strategy are provided by Household Budget Survey, i.e. data serving for taking of different poverty measures. Further development will be done through increased number of living condition indicators that are received in European Union by the implementation of a special survey EU-SILC.

6.7 Classifications

To achieve the comparability of data between different statistical surveys within the country and in the international relations, it is necessary to establish and maintain a system of internationally recognised classifications. Thus, it is planned to strengthen human resources in the department for classification and standards, and to introduce NACE Rev.2. This classification has been adopted in EU and within the short-term statistics it will start to be implemented in the EU countries from January 2009.

It is necessary to improve further Statistical Business Register (SBR) and to change of activity units according to the new classification NACE Rev. 2.

Drafting of NUTS classification for Montenegro is planned to be realised until the end of 2009.

6.8 IT Support

IT infrastructure, development tools and human resources are important aspect of IT environment that has a significant impact on the development of statistics and obligations resulting from international cooperation and EU integrations.

Since the development of modern statistics is linked with the development of ICT, the main direction in the development should be towards the development of database, appropriate meta bases, as well as their modernisation, in order to create a simple and comprehensive access to data for users and with the aim to increase rationality and efficiency in the work.

Development of software for data analyses will be important objective that will introduce a faster and more qualitative work on statistical data analyses. A special attention will be given to improvement of sample-based surveys, as well as to development of a system for data entering by optical readers.

One of the objectives is further IT improvement of website and development of all electronic forms for data dissemination, as well as development of WEB application for on-line data entering.

6.9 Dissemination and Services to Users

A user-oriented dissemination policy will be introduced according to the national and international demands, which will ensure equality in use of the official statistical data.

A priority is developed website and increased role of electronic data transfer, as well as modernisation of specialized library. Disseminative databases will be put on the internet with free of charge access as a support to efficient informing.

A special attention will be given to the development of relations with data providers by direct and selective contacts in the field and higher attention for meeting of needs. Also, a system of regular evaluation of service quality will be established, as well as monitoring of needs and satisfaction of users.

7.0 International Cooperation

A very important part of this Strategy and harmonisation of statistics with international standards is active international cooperation and realisation of aid projects. Planned international support programs for Montenegro will be used for achieving this. European Commission with technical support of EUROSTAT will fund IPA 2007 national project that will be implemented in the middle of 2009. Currently, Poverty Analyses 2007 project is realising through the funds of IPA 2007 multi-beneficiary project and World Bank support.

Mentioned projects will provide faster implementation of new methodology and standards, improved institutional environment of the statistical system, education of employees by MONSTAT, and participation in international forums and conferences. Institutional capacity building implemented through these projects should contribute considerably to the production and publishing of basic statistical data harmonised with European standards in the area of business statistics, social statistics and national accounts.

MONSTAT should strengthen bilateral cooperation with other countries statistics, especially those based on signed documents about statistical cooperation between our country and following countries: Macedonia and Austria. Other forms of cooperation were established with Statistics of Serbia, Croatia, Bosnia and Romania.

7.1 Education of Users and Improving of Image of Statistics

In order to value statistical information properly, one of MONSTAT obligations should be the increase of statistical knowledge, among the data users (state institutions, universities, business associations, private companies, media), as well as broader public - citizens. Dispersion of statistical data and information will contribute to further development, transparency and better statistics.

One of the priorities is the development of good relationship with the main data providers because qualitative and timely inputs are a basis for calculation of statistical aggregates. On the other hand, Statistics will implement strictly the protection of confidential data and will lead permanent dialogue with data providers in order to strengthen their confidence which lack will made further statistical development impossible.

Abbreviations

EU	European Union
UN	United Nations
IMF	International Monetary Fund
EUROSTAT	Statistical Office of the European Communities
ESS	European statistical system
CARDS	Community Assistance for Reconstruction, Development and Stabilization
IPA	Instrument for Pre-Accession
NACE	Statistical Classification of Economic Activities in the European Community (Nomenclature statistique des activités économiques dans la Communauté européenne)
SNA93	System of National Accounts 1993
ESA95	European System of Accounts 1995
GDP	Gross Domestic Product
COICOP	Classification of Individual Consumption by Purpose
NUTS	Nomenclature of Territorial Units for Statistics (Nomenclature d'Unités Territoriales Statistiques)
CPI	Consumer Price Index
EU-SILC	European Union Statistics on Income and Living Conditions

Definitions

European Statistical System

shall mean the partnership comprising Eurostat, national statistical institutes and other national statistical bodies responsible in each Member State for producing and disseminating European statistics.

European Statistics

shall mean Community statistics as defined in Council Regulation (EC) No 322/97 of 17 February 1997 on Community statistics, produced and disseminated by national statistical authorities and the Community's statistical authority.

European Statistics Code of Practice

shall mean a code adopted by the Statistical Program Committee in 2005 and promulgated in the Commission recommendation on the independence, integrity and accountability of the national and community statistical authorities. The European Statistics Code of Practice is based on 15 principles.

Statistical Authority

shall mean, at national level, the national statistical institute (NSI) and other statistical bodies in charge of producing and disseminating European statistics and, at Community level, Eurostat.

