Gross National Income and The Other Aggregates of National Accounts
(Quarterly/Annual)

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2. Metadata update	
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3. Statistical presentation	

3.1. Data description

Methodological basis for the National Accounts of Georgia is a standard methodology – System of National Accounts 2008 (2008 SNA), provided by the International Monetary Fund (IMF), the United Nations (UN), Commission of the European Communities – Eurostat, the Organization for Economic Co-operation and Development (OECD) and the World Bank.

One of the most important economic indicators of national accounts is Gross national income and other aggregates of National Accounts.

3.2. Classification system

- System of national Accounts 2008 (2008 SNA);
- National Classification of economic activities of Georgia (GNC. 006-2016) (based on NACE rev. 2);
- The Classification of individual Consumption According to Purpose (COICOP);
- The Classification of the Functions of Government (COFOG);
- Budgetary Classification of Georgia;
- Balance of payments of Georgia.

3.3. Sector coverage

Total economy including all institutional sectors and types of economic activity.

3.4. Statistical concepts and definitions

Gross National Income (GNI) is a sum of primary incomes receivable by resident institutional units plus primary income (Compensation of Employees, Operating Surplus, Mixed Income) receivable from the rest of the world and net property (rent, interest) income (receivable minus payable).

GNI is equal to GDP less gross primary income payable to non-resident units plus primary income receivable from non-resident units.

Primary incomes are incomes that accrue to institutional units as consequence of their involvement in processes of production or ownership of assets, needed for production purposes. In other words, it is equal to compensation of employees, taxes (less subsidies) on production and imports, operating surplus, mixed income and property income.

Property income – is the sum accrued by lending or renting financial or natural resources, including land, to other units for use in production.

Gross national disposable income is derived from gross national income by adding all current transfers in cash or in kind receivable by resident institutional units from non-resident units and subtracting all current transfers in cash or in kind payable by resident institutional units to non-residents.

Gross national disposable income measures the income available to the total economy for final consumption and gross saving.

Current transfer is a transaction in which one institutional unit provides a good, service or asset to another unit without receiving from the latter any good, service or asset in return as a direct counterpart.

Gross Saving is the part of Gross national disposable income, is equal to the difference between disposable income and final consumption expenditure.

Final Consumption Expenditure – Household final consumption on goods and services, final consumption expenditure and of General government and NPISHs on individual goods and services and possibly on collective consumption services.

By deducting net capital transfers from total savings and deducting gross capital formation, net lending / net borrowing is obtained.

Net lending (+) or net borrowing (-) is defined as the excess or deficit of the financial sources over the expenditure: on net acquisition of non-financial assets. At the level of whole economy, net lending or net borrowing shows the value of all resources paid to the rest of the world and otherwise.

3.5. Statistical unit

- Financial and Non-Financial Corporations;
- General government bodies;
- Households;
- Non-profit institutions serving households (NPISH).

3.6. Statistical population

Economic territory of a country.

3.7. Reference area

Georgia (Excluding occupied territories).

3.8. Time coverage

- Data is available from 1996 year;
- Time series based on the National Accounts System 1993 (1993 SNA) methodology is available for 1996-2018 years;
- Time series based on the National Accounts System 2008 (2008 SNA) methodology is available from 2010 year.

3.9. Base period

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4. Unit of measure

Mil GEL, GEL, Mil USD, USD.

5. Reference period

Quarter, Year.

6. Institutional mandate

6.1. Legal acts and other agreements

The Law of Georgia on Official Statistics;
https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf
Statistical Work Programme (annual);
https://www.geostat.ge/en/modules/categories/307/statistical-work-programme
Charter of the National Statistics Office of Georgia.
https://www.geostat.ge/media/20845/10%2Csaqstatis-konsolidirebuli-debuleba.pdf

6.2. Data sharing

Memorandum with the Revenue Service of the Ministry of Finance of Georgia and the National Bank of Georgia.

7. Confidentiality

7.1. Confidentiality – policy

1. The Law of Georgia on Official Statistics:
    - According to the article 5 of the law Statistical confidentiality and exclusive use for statistical purposes – individual data collected or received by the producer of official statistics, relating to natural or legal persons, must be strictly confidential and used only for statistical purposes.
    - According to the article 34 (Observing Confidentiality of Statistical Data) of the law 1. Data collected, processed, and stored to produce official statistics are confidential if they enable the direct or indirect identification of a statistical unit. In addition, aggregated data are subject to statistical confidentiality: a) Aggregates composed of 1 to 3 units, when the unit is a natural or legal person if one of these units could be

identified indirectly, thereby disclosing individual data about this unit. Aggregates composed of more than 3 units may be declared confidential by the Executive Director if required to ensure statistical confidentiality; b) Information declares as a state secret on the basis of the „Law of Georgia on State Secrets". 2. Confidential data shall be used exclusively for the purposes of producing statistics in accordance with this law. 3. Statistical data about the administrative body cannot be considered confidential information, except for the information determined by the Law of Georgia „On State Secrets". 4. Individual data obtained from publicly available sources, which are defined as public information in accordance with the legislation of Georgia, shall not be considered confidential information. 5. Confidential (individual) data may be published if there is written consent from the statistical unit regarding the publication of such data. 6. It is not allowed to disseminate and distribute confidential data or use it for non-statistical purposes.

- According to the article 38 (Confidentiality commitments) of the law the confidential statistical data collected and processed for statistical purposes shall not be used or disseminated either for personal, academic, research or any other activities, by the employees of the producers of Official Statistics.

  https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf

2. Data Confidentiality Policy at Geostat
   https://www.geostat.ge/media/20860/Data-Confidentiality-Policy-at-Geostat_En.pdf
3. Procedure for providing access to confidential data for research purposes
   https://www.geostat.ge/media/61533/Rule-on-Access-to-Confidential-Data-for-Scientific-and-Research-Purposes....pdf
4. The Law of Georgia on Personal Data Protection
   https://matsne.gov.ge/en/document/view/1561437?publication=9

7.2. Confidentiality – data treatment

- Confidentiality guidelines.
- Written undertakings by an employee of Geostat on ensuring confidentiality of gained/collected data as a result of official duties.

8. Release policy

8.1. Release calendar

Data dissemination dates are defined by the calendar developed on the basis of the Statistical Work Programme, which is published on the website of Geostat and is publicly available.

8.2. Release calendar access

https://www.geostat.ge/en/calendar

8.3. User access

All users have the equal access to the statistical data simultaneously.

9. Frequency of dissemination

Quarterly, Annual.

10. Accessibility and clarity

10.1. News release

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10.2. Publications

Statistical publication „National Accounts of Georgia" on Georgian and English languages is available on the following link:

https://www.geostat.ge/en/single-categories/113/gross-domestic-product-of-georgia

10.3. On-line database

The data is available as a PC-Axis database on the Geostat's official website in the section of „Statistical Information", sub-section of „National Accounts", under the „Gross National Income" tab:

https://www.geostat.ge/en/modules/categories/24/gross-national-income-gni

The data is available as a PC-Axis database on the Geostat's official website in the section „National Accounts" sub-section of the PC-Axis Databases under the „National Income" tab:

https://pc-axis.geostat.ge/PXweb/pxweb/en/Database/?rxid=00390b0c-802e-4d22-9c30-de1a41211054

10.4. Micro-data access

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10.5. Other
National Accounts Portal:
https://sna.geostat.ge/en/4/Home
10.6. Documentation on methodology
The methodology documentation is available on the website of Geostat:
https://www.geostat.ge/en/modules/categories/119/national-accounts
10.7. Quality documentation
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11. Quality management
11.1. Quality assurance
To ensure the quality of the statistical processes and products Geostat follows Chapter 10 – Quality of official statistics – of the Law of Georgia on Official Statistics, as well as the European Statistics Code of Practice, the UN Fundamental Principles of Official Statistics and Quality Assurance Framework of the European Statistical System (ESS QAF).
11.2. Quality assessment
Methodology and Quality Management Division of Geostat, along with the sectoral departments, is responsible for the quality of the produced statistical products and processes. The Division carries out quality audit, self-assessment of statistical processes and assesses the risks for the quality of statistical processes and products. Geostat has developed policy documents, guidelines and standard routine descriptions. These documents ensure the standardization of statistical processes and products and the establishment of a unified quality assurance system. Quality policy is available on the following link: https://www.geostat.ge/media/44380/QP_Geostat_EN.pdf

12. Relevance
12.1. User needs
Main user groups are government agencies, researchers, educational institutions, international organizations and other users interested in economic development trends of Georgia, economic policy development and forecasting issues.
12.2. User satisfaction
In 2023 user satisfaction survey was conducted, the target of the survey was to analyze the assessment of quality of statistical data by users and explore ways to improve user services. The survey report is available on the website of Geostat (in Georgian): https://www.geostat.ge/ka/page/customer-service
12.3. Completeness
Gross Domestic Product covers accounted as well as non-observed economy using the methods are in line with international standards.

13. Accuracy and reliability
13.1. Overall accuracy
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13.2. Sampling error
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13.3. Non-sampling error
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14. Timeliness and punctuality
14.1. Timeliness
• Preliminary Quarterly GDP data are initially published on the 90th day after the end of the reporting quarter;
• After receiving the annual data of the last year, first and second quarters of the current year are updated along with revision of four quarters of the previous year;
• After receiving annual survey results, quarterly GDP figures are finally revised and published in November of the following year.
14.2. Punctuality
The data is published according to the date specified in the statistical work program. There has not been any violation

of publication dates.

15. Coherence and comparability

15.1. Comparability – geographical

The data is collected and processed using the same methodology and definitions at the country and regional level.

15.2. Comparability – over time

Data is collected and processed with the same methodology and definitions throughout the period under consideration.

15.3. Coherence – cross domain

The following data of national accounts of different periodicity and detail are fully consistent with each other: Annual National Accounts, Quarterly National Accounts, Supply and Use tables.

The following main statistical sources are used for compilation of national accounts: business statistics, short-term statistics, employment statistics. It should be noted that the definitions of the variables used in the sources often differ from the concepts of national accounts, for which additional adjustments are made to harmonize them with national accounts methodology.

15.4. Coherence – internal

The following data of different periodicity and detail of national accounts are fully consistent with each other: Annual National Accounts, Quarterly National Accounts, Supply and Use Tables.

16. Cost and burden

The task is carried out by the staff of national accounts department and does not require additional funding.

17. Data revision

17.1. Data revision – policy

Statistical data revision policy is available on the website of Geostat:
https://www.geostat.ge/media/59824/Data-Revision-Policy-and-Error_Correction-at-Geostat_Eng.pdf

17.2. Data revision – practice

Time serie of statistical indicators need revision over time, caused by implementation of a new methodology or significant improvement in data sources.The results of a new survey may significantly differ from the results of the previous period, in this case, new data is preferable, but time series of previous periods need to be adjusted to ensure comparability. Currently GDP data revision is conducted by the following sequence:
- Preliminary quarterly data are initially published on the 90th day after the end of the reporting quarter;
- After receiving the annual data of the last year, together with the specification of the four quarters of the same year, the indices of the first and second quarters of the current year are calculated;
- Revised quarterly GDP data are published in November of the following year.

Dynamic rows specified for 2008 SNA transition.

Along with the transition to the 2008 SNA methodology, the NACE Rev.2 Classifier of the types of economic activity was implemented in National Accounts.. Also, the methodology for calculating the output of individual sectors was specified, which caused necessity of updating the time series.

Updated time series caused by changes in methodology were published in November 2019.

In February 2024, the revision of GDP and national accounts data was carried out (2010-2023). The revision of the historical data series in 2024 was one of the recommendations of the Strategic Assessment of the Statistical System carried out by Eurostat, UNECE and EFTA in order to ensure compliance with the Harmonized European Data Revision Policy (HERP).

18. Statistical processing

18.1. Source data

Data sources are based on surveys conducted by Geostat or administrative data.

Data obtained from the internal sources of Geostat:
- Data on the economic activities of non-financial corporations (Statistical Survey of Enterprises, conducted by the Business Statistics Department of Geostat);
- Data on economic activity of households and indicators of economic activity of population (Integrated Household Survey and Labor Force survey, conducted by the Social Statistics Department of Geostat);

External Data Sources:

• Compound and State Budget Data (Ministry of Finance of Georgia);
• Balance of Payments of Georgia (National Bank of Georgia).

18.2. Frequency of data collection
Quarterly, Annual.

18.3. Data collection
Databases of the Geostat and data from administrative sources.

18.4. Data validation
In particular cases, accuracy of the data is checked with the data source.

18.5. Data compilation
Data obtained from internal and external sources are processed in a special format needed for the national accounts. The next step is compilation of GDP and other aggregates of national accounts.

GDP at market prices

+ Net Primary income receivable from the Rest of the world

= Gross national Income

+ Net Current transfers receivable from the Rest of the world

= Gross disposable Income

- Final Consumption

= Gross Saving

+ Net Capital Transfers receivable from Rest of the world

- Gross Capital Formation

- Acquisitions less disposals of non-produced assets

= Net lending (+), Net borrowing (-)

18.6. Adjustment
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19. Comment
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