

# Industrial Production Index

## (Quarterly)

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<b>2. Metadata update</b>	
<b>2.1. Metadata last certified</b>	July 10, 2024
<b>2.2. Metadata last posted</b>	July 10, 2024
<b>2.3. Metadata last update</b>	July 10, 2024

<b>3. Statistical presentation</b>	
<b>3.1. Data description</b>	
<p>Methodological basis of the National Accounts of Georgia is a standard methodology of the System of National Accounts 2008 (2008 SNA) recommended by the United Nations, the European Union Statistical Service (Eurostat), the Organization for Economic Co-operation and Development, the World Bank and the International Monetary Fund. One of the most important indicators of the national account system is the Industrial Production Index.</p>	
<b>3.2. Classification system</b>	
<ul style="list-style-type: none"> <li>• System of National Accounts 2008 (2008 SNA);</li> <li>• Georgian National Classification of Economic Activities (GNC. 006-2016) (based on NACE Rev. 2);</li> <li>• Statistical classification of products by activity – (CPA 2008).</li> </ul>	
<b>3.3. Sector coverage</b>	
Total economy including all institutional sectors and types of economic activity.	
<b>3.4. Statistical concepts and definitions</b>	
<p><b>Gross Output</b> is a total market value of all goods and services produced within the country in a given period of time. Gross output is estimated in producers' prices – selling prices of produced goods and services excluding taxes on products.</p> <p><b>The industrial production index</b> reflects the change in the volume of production created in the industrial sector.</p>	
<b>3.5. Statistical unit</b>	
<ul style="list-style-type: none"> <li>• Financial and Non-Financial Corporations;</li> <li>• General government bodies;</li> <li>• Households;</li> <li>• Non-profit institutions serving households (NPISH).</li> </ul>	
<b>3.6. Statistical population</b>	
Economic territory of the country.	
<b>3.7. Reference area</b>	
Georgia (Excluding occupied territories).	
<b>3.8. Time coverage</b>	
<ul style="list-style-type: none"> <li>• Data is available from 2001 year;</li> <li>• Time series using the National Accounts System 2008 (2008 SNA) methodology are available from 2010 year.</li> </ul>	
<b>3.9. Base period</b>	
2019 Year.	

<b>4. Unit of measure</b>	
Index (2015=100).	

<b>5. Reference period</b>
Quarter.
<b>6. Institutional mandate</b>
<b>6.1. Legal acts and other agreements</b>
The Law of Georgia on Official Statistics; <a href="https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf">https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf</a> Statistical Work Programme (annual); <a href="https://www.geostat.ge/en/modules/categories/307/statistical-work-programme">https://www.geostat.ge/en/modules/categories/307/statistical-work-programme</a> Charter of the National Statistics Office of Georgia. <a href="https://www.geostat.ge/media/20845/10%2Csaqstatis-konsolidirebuli-debuleba.pdf">https://www.geostat.ge/media/20845/10%2Csaqstatis-konsolidirebuli-debuleba.pdf</a>
<b>6.2. Data sharing</b>
Memorandum with the Revenue Service of the Ministry of Finance of Georgia and the National Bank of Georgia.
<b>7. Confidentiality</b>
<b>7.1. Confidentiality – policy</b>
<ol style="list-style-type: none"> <li>The Law of Georgia on Official Statistics: <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.  <a href="https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf">https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf</a></li> </ul> </li> <li>Data Confidentiality Policy at Geostat  <a href="https://www.geostat.ge/media/20860/Data-Confidentiality-Policy-at-Geostat_En.pdf">https://www.geostat.ge/media/20860/Data-Confidentiality-Policy-at-Geostat_En.pdf</a></li> <li>Procedure for providing access to confidential data for research purposes  <a href="https://www.geostat.ge/media/61533/Rule-on-Access-to-Confidential-Data-for-Scientific-and-Research-Purposes....pdf">https://www.geostat.ge/media/61533/Rule-on-Access-to-Confidential-Data-for-Scientific-and-Research-Purposes....pdf</a></li> <li>The Law of Georgia on Personal Data Protection  <a href="https://matsne.gov.ge/en/document/view/1561437?publication=9">https://matsne.gov.ge/en/document/view/1561437?publication=9</a></li> </ol>
<b>7.2. Confidentiality – data treatment</b>
<ul style="list-style-type: none"> <li>Confidentiality guidelines.</li> <li>Written undertakings by an employee of Geostat on ensuring confidentiality of gained/collected data as a result of official duties.</li> </ul>
<b>8. Release policy</b>
<b>8.1. Release calendar</b>
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.

<b>8.2. Release calendar access</b>
<a href="https://www.geostat.ge/en/calendar">https://www.geostat.ge/en/calendar</a>
<b>8.3. User access</b>
All users have the equal access to the statistical data simultaneously.
<b>9. Frequency of dissemination</b>
Quarterly.
<b>10. Accessibility and clarity</b>
<b>10.1. News release</b>
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<b>10.2. Publications</b>
Statistical publication „National Accounts of Georgia“ on Georgian and English languages is available on the following link: <a href="https://www.geostat.ge/en/single-categories/113/gross-domestic-product-of-georgia">https://www.geostat.ge/en/single-categories/113/gross-domestic-product-of-georgia</a>
<b>10.3. On-line database</b>
Data in „MS. Excel“ files are available on the Geostat's official website in the section of „National Accounts“ in the tab of „Gross Domestic Product (GDP)“: <a href="https://www.geostat.ge/en/modules/categories/23/gross-domestic-product-gdp">https://www.geostat.ge/en/modules/categories/23/gross-domestic-product-gdp</a> The data is available as a PC-Axis database on the Geostat's official website in the section of „National Accounts“ of the PC-Axis Database: <a href="https://pc-axis.geostat.ge/PXWeb/pxweb/en/Database/">https://pc-axis.geostat.ge/PXWeb/pxweb/en/Database/</a>
<b>10.4. Micro-data access</b>
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<b>10.5. Other</b>
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<b>10.6. Documentation on methodology</b>
The methodology documentation is available on the website of Geostat: <a href="https://www.geostat.ge/en/modules/categories/119/national-accounts">https://www.geostat.ge/en/modules/categories/119/national-accounts</a>
<b>10.7. Quality documentation</b>
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<b>11. Quality management</b>
<b>11.1. Quality assurance</b>
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).
<b>11.2. Quality assessment</b>
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: <a href="https://www.geostat.ge/media/44380/QP_Geostat_EN.pdf">https://www.geostat.ge/media/44380/QP_Geostat_EN.pdf</a>
<b>12. Relevance</b>
<b>12.1. User needs</b>
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.
<b>12.2. User satisfaction</b>
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): <a href="https://www.geostat.ge/ka/page/customer-service">https://www.geostat.ge/ka/page/customer-service</a>
<b>12.3. Completeness</b>
Indicators are available at the country level by four main industry activities (mining and quarrying, manufacturing, electricity, gas, steam and air conditioning supply, water supply; sewerage, waste management and remediation activities).
<b>13. Accuracy and reliability</b>
<b>13.1. Overall accuracy</b>
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<b>13.2. Sampling error</b>
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<b>13.3. Non-sampling error</b>
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<b>14. Timeliness and punctuality</b>
<b>14.1. Timeliness</b>
Quarterly data of the industrial production index is published and updated in the following order: <ul style="list-style-type: none"> <li>• Preliminary quarterly data are initially published on the 85th day after the end of the reporting quarter;</li> <li>• 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;</li> <li>• Revised quarterly indicators are published in November the following year, the data will be disseminated on the following business day in case of information release date coincides with the day off.</li> </ul> The seasonally adjusted time series of industrial production index is updated on a quarterly basis.
<b>14.2. Punctuality</b>
The data is published according to the date specified in the statistical work program. There has not been any violation of publication dates.
<b>15. Coherence and comparability</b>
<b>15.1. Comparability – geographical</b>
The data is collected and processed using the same methodology and definitions at the country and regional level.
<b>15.2. Comparability – over time</b>
Data is collected and processed using the same methodology and definitions throughout the period under consideration.
<b>15.3. Coherence – cross domain</b>
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<b>15.4. Coherence – internal</b>
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<b>16. Cost and burden</b>
The task is carried out by the staff of national accounts department and does not require additional funding.
<b>17. Data revision</b>
<b>17.1. Data revision – policy</b>
Statistical data revision policy is available on the website of Geostat: <a href="https://www.geostat.ge/media/59824/Data-Revision-Policy-and-Error-Correction-at-Geostat_Eng.pdf">https://www.geostat.ge/media/59824/Data-Revision-Policy-and-Error-Correction-at-Geostat_Eng.pdf</a>
<b>17.2. Data revision – practice</b>
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 the quarterly data of the seasonally adjusted industry product indexis conducted by the following sequence:

- Preliminary quarterly data are initially published on the 85th 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;
- Revised quarterly indicators are published in November of the following year, the data will be disseminated on the following business day in case of information release date coincides with the day off.

Seasonally adjusted time series of industrial production index is updated on a quarterly basis.

Time series were revised along with transition to the 2008 SNA.

Along with the transition to the 2008 SNA methodology, the NACE Rev.2 classification was implemented in national accounts. Also, the methodology for calculating the output of certain sectors will be specified, which has caused necessity of updating the time series.

Updated time series according to 2008 SNA, were published in December 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);
- Consumer Price Index (CPI), Producer Price Index for Industrial Products (PPI), Price Index for Material Inputs to Construction Industries and Producer Price Index for Freight Transport); (Monthly survey of Price Statistics Department).

### 18.2. Frequency of data collection

Quarterly, Annual.

### 18.3. Data collection

Databases of Geostat and data from administrative sources.

### 18.4. Data validation

In particular cases, data accuracy is checked with the data source.

### 18.5. Data compilation

Data obtained from internal and external sources are processed in a format needed for national accounts.

The calculations are made by deflating of value added of industrial production deflating purposes.

Value added of each period is reflected at prices of base year. Industry includes B (mining and quarrying), C (manufacturing), D (Electricity, gas, steam and air conditioning supply) and E (Water supply; sewerage, waste management and remediation activities) sections of NACE rev.2 classification.

### 18.6. Adjustment

Seasonal adjustment is conducted to the time series in base year prices in order to remove seasonal factors and related fluctuations. Seasonal adjustment is conducted in the software „JDemetra +“ using the method of „Tramo/Seats“.

## 19. Comment

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