Producer Price Index for Telecommunication Services

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| 2. Metadata update | |
|------------------------------|-------------------|
| 2.1. Metadata last certified | February 20, 2025 |
| 2.2. Metadata last posted | February 20, 2025 |
| 2.3. Metadata last update | February 20, 2025 |

3. Statistical presentation

3.1. Data description

The producer price index for telecommunication services measures the average price level of telecommunication services compared to the reference period.

3.2. Classification system

The structure of the producer price index for telecommunication services follows the Statistical Classification of Products by Activity (CPA 2008).

3.3. Sector coverage

According to CPA 2008 the index includes the following parts: wired telecommunication services, wireless telecommunication services, satellite telecommunication services and other telecommunication services. It corresponds to division 61 of the information and communication services section (J) of the Statistical Classification of Products by Activity (CPA).

3.4. Statistical concepts and definitions

The following information is published:

- Producer price index for telecommunication services to the previous month;
- ullet Producer price index for telecommunication services to the same month of the previous year;
- Producer price index for telecommunication services, 12-month average compared the previous 12-month average.

3.5. Statistical unit

The observable statistical unit is an organization across the country that provides telecommunication services.

3.6. Statistical population

For compiling the producer price index for telecommunication services, the selection of observable organizations across the country is based on the statistical data of enterprises.

The selection base comprises of 68 organizations, of which 26 organizations are selected this year. As a result, the selected organizations cover 85% of the whole sample (in terms of value).

3.7. Reference area

The prices are collected across the country (occupied territories are not considered) for services produced by telecommunication organizations.

3.8. Time coverage

From 2020.

3.9. Base period

Previous month, same month of the previous year.

4. Unit of measure

Index.

5. Reference period

Month.

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/67749/New-Chapter-eng-upd.pdf

6.2. Data sharing

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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.

 $\underline{https://www.geostat.ge/media/56202/The-Law-of-Georgia-on-Official-Statistics.pdf}$

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

Monthly.

10. Accessibility and clarity

10.1. News release

Press release for the Services Producer Price Indices is published through Geostat's website on a monthly basis. It contains information about monthly and annual index rates, as well as the contributions of sections and divisions to the index formation. The press release also includes a time series graph.

It is available on the following link:

https://www.geostat.ge/en/news?year=&month=&category=7

10.2. Publications

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10.3. On-line database

Data are available to all users on the Geostat's website:

https://www.geostat.ge/en/modules/categories/27/producer-and-import-price-index

Also, PC-Axis database:

https://pc-axis.geostat.ge/PXweb/pxweb/en/Database/?rxid=9e2e4e1a-9eb4-4241-aaf7-4e4d4b3cefc6

10.4. Micro-data access

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10.5. Other

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10.6. Documentation on methodology

The service producer price index for telecommunication is available on Geostat's website:

https://www.geostat.ge/en/modules/categories/122/methodologia-price-statistics

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

The producer price index for telecommunication services is used for the following purposes:

- The index has an important role in deflating different economic indicators;
- The index is used for indexation of contracts in both public and private sectors;
- The index is an analytical instrument for researchers and representatives of business sector.

The main users of the index are: public agencies, international organizations, researchers and students, media

representatives and other stakeholders.

12.2. User satisfaction

In 2021 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:

https://www.geostat.ge/en/page/customer-service

12.3. Completeness

Data are consistent to the international standards.

13. Accuracy and reliability

13.1. Overall accuracy

Accuracy of data is ensured by compliance with international methodology of research and calculation methods.

13.2. Sampling error

There is no assessment of the sampling error of the index. The sample size made from the given population is optimal, given the research objectives and limited resources.

13.3. Non-sampling error

Non-sampling errors in the producer price index for telecommunication services are not assessed. To minimize this kind of errors, the index calculation step involves several levels of control.

14. Timeliness and punctuality

14.1. Timeliness

Data are published on the 19-22nd of the following month of the reporting month.

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 prices are collected on telecommunication services produced by organizations across the country. The principles of price collection and index compilation are based on international methodology and are consistent with it. Furthermore, in all regions the prices are collected based on the unified methodology and ensures the comparability of data across the country.

15.2. Comparability – over time

The index is comparable for the whole period.

15.3. Coherence - cross domain

Data are coherent.

15.4. Coherence – internal

Indices are coherent with the initial data – indices on the aggregate level are compiled using the lowest level indices through a clearly defined procedure.

16. Cost and burden

In 2025 annual budget of statistical surveys of prices (consumer, producer and import prices) amounted to 310 080 GEL.

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

Planned revision of data is not carried out. An Unplanned revision (to clarify data) was not carried out in 2024.

18. Statistical processing

18.1. Source data

For the calculation of the producer price index for telecommunication services, the selected sample consists of all large and medium-size organizations that are relevant to the Division 61 of the information and communication services section (J) of the CPA, while small organizations are selected selectively.

After sampling organizations, they are surveyed in order to determine the characteristics of services. For this purpose, organizations are provided by additional electronic questionnaires and are required to indicate the following information: the type of the top four services (less than four in case of absence) provided over the previous year and the percentage share of each telecommunication service in the sample of selected telecommunication services. During the service selection process their detailed specifications are determined. Following the specifications is the most important part of price registration since the monthly recorded price difference should be caused by the pure price change of a service, rather than changes in characteristics, or a service itself. Relying on the obtained survey the prices for sampled services are recorded across the year. The sample of telecommunication services is updated annually. In 2025 62 price data points will be collected monthly from 27 organizations.

18.2. Frequency of data collection

Price collection fieldworks are conducted monthly, on the same date of the following month of the reporting period, from the 1st to the 8th day.

18.3. Data collection

The prices for telecommunication services are collected by price enumerators. The questionnaire includes information about types of services, the measurement unit, prices in the reference, previous and current months for the four selected services. Besides, the reason of a price change or any other relevant information is indicated in the comment field.

The questionnaires are filled in the online form. The organizations fill the questionnaire independently or with the help of price enumerator. Online questionnaires are on the following link:

https://questionnaires.geostat.ge/

It is possible to see the questionnaires on Geostat's website, on the following link:

https://www.geostat.ge/en/modules/categories/557/questionnaires-price-statistics

18.4. Data validation

The validation procedure is conducted in two stages:

On the first stage validation takes place simultaneously with the price registration fieldworks. In case of price change, the person responsible for filling the questionnaire is required to define by the comment the reason of the change. After the data are sent to the central office, a responsible employee conducts analysis and logical control of the data. On the second stage accuracy of the price, which are extremely deviated from the price of the previous month, is checked after calculating the overall index.

18.5. Data compilation

For the producer price index for telecommunication services the weights are calculated based on business statistics data. The obtained weights represent the share of the specific telecommunication service value in the overall value of the telecommunication services across the country. The weights for a reporting period t are calculated based on t-2 period information. The list of telecommunication services included in the index may also be changed while updating the weights.

During the calculation of the producer price index for telecommunication services, an elementary price index is the index calculated for each individual services produced by an organization.

If a price for a service is not indicated by an organization in the reporting period, one of the following two methods of price imputation is applied: using the upper level group index and using carry-forward method.

In the process of time, an organization may not produce a service of the same quality anymore, for which prices have been observed. In order to ensure the comparability of prices for old and new services, a quality adjustment method should be used, for which an imputed base price is calculated using several methods

18.6. Adjustment

Not applied.

19. Comment