

# PEER REVIEW REPORT

ON COMPLIANCE WITH THE CODE OF PRACTICE AND  
THE COORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE

## MONTENEGRO

JEAN-MICHEL DURR

RICHARD LAUX

VERONIQUE VAN DER ZANDE

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## TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
LIST OF ABBREVIATIONS	7
1. INTRODUCTION	8
2. BRIEF DESCRIPTION OF THE NATIONAL STATISTICAL SYSTEM	9
3. COMPLIANCE WITH THE CODE OF PRACTICE AND THE COORDINATION ROLE WITHIN THE NATIONAL STATISTICAL SYSTEM	11
3.1 Strengths of the National Statistical Institute in relation to its compliance with the Code of Practice and to its coordination role	11
3.2 Issues and recommendations	12
3.2.1 Strengthen coordination within the National Statistical System	12
3.2.2 Increase resources and improve cost-effectiveness	14
3.2.3 Develop a user-oriented approach	20
3.3 National Statistical Institute views where they diverge from peer reviewers' assessment	26
ANNEX A: PROGRAMME OF THE VISIT	27
ANNEX B: LIST OF PARTICIPANTS	29

## EXECUTIVE SUMMARY

The Statistical Office of Montenegro (Monstat) is the main producer of European statistics in Montenegro according to the Law on Official Statistics<sup>1</sup>. The Legal framework of the National Statistical System of Montenegro is in line with the Legal framework of European statistics: it lays down the principles of official statistics such as those of the European statistics Code of Practice, sets out the role of the 'competent body' (Monstat) and other official statistics producers, stipulates the professional independence of the Director of the Statistical Office, and provides for good confidentiality protection and an effective mandate for data collection. It also establishes and specifies the objectives and composition of the Statistical Council.

In addition, the Government of Montenegro signed a Commitment on Confidence in February 2018, setting out the Government's commitment to respecting European statistical standards, including professional independence, access to administrative and register data, and confidentiality protection; the Government also committed to providing human and financial resources to improve the quality of Montenegrin statistics.

Monstat enjoys a high level of trust and its independence is largely recognised. Its commitment to confidentiality is praised and was proven when Monstat successfully resisted a request for access to confidential census data. Stakeholders are very positive about the way in which the Statistical Office protects the confidentiality of the data it holds. This is consistent with the high response rates to Monstat's surveys, from businesses and individuals.

Monstat has established a good basis for the effective coordination of the Other National Authorities (ONAs). For example, the planning and reporting processes not only ensure that the relevant documents cover the whole statistical system but also, by virtue of the regularity and nature of the contacts across the statistical system ensure that ONAs are actively involved in the strategic development of the system.

The Peer Review team identified three areas in which compliance with the European statistics Code of Practice could be enhanced. These issues are related to strengthening coordination within the National Statistical System, increasing resources and improving cost-effectiveness, and developing a user-oriented approach.

The Peer Review team recognises that several mechanisms are in place to facilitate the coordination of the statistical system in Montenegro and form a strong basis to further enhance coordination. In particular, Monstat should support the implementation of quality management in the Other National Authorities producing European statistics. A clear definition of official statistics would serve as a visible quality label certifying compliance with the European statistics quality standards, reinforced by the publications of such statistics on a common portal of official statistics.

Monstat, as a young National Statistical Institute, is facing an important shortage of resources. The current number of employees is not sufficient to fulfil all obligations within the deadline of 2020 defined by the Government of Montenegro as the ultimate fulfilment of all obligations arising from the EU integration process. The number of employees has been about the same for five years, the current regular staff increase of five employees per year being cancelled out by a similar turnover of staff not automatically replaced. The current premises of Monstat are old and shared with another institution, and do not offer the space needed for a National Statistics Institute. However, while the Peer Review team formed the opinion that it is of paramount importance to increase the resources allocated to the National Statistical Office, it also

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<sup>1</sup> Law on Official Statistics and Official Statistical System. Official Gazette of Montenegro 18/12 from 30 March 2012

recommends that Monstat increase its cost-effectiveness, streamline its procedures, and take the opportunity of its recent implementation of quality management to develop tools to monitor the use of resources and efficiency of its processes.

Monstat has developed an important use of administrative data and plans to conduct the next population and housing census as a register-based census, thus saving the huge cost of a traditional census. However, several conditions are yet to be met. Firstly, Monstat should be granted full access to personal identifiers for all administrative sources, including the population register. An amendment to the Statistical Law is in the process of approval but other laws must be amended as well. Secondly, a register of addresses and dwellings must be established by the Cadastre administration.

Finally, the Peer Review team formed the view that Monstat should take a number of steps towards becoming more user-oriented. For example, Monstat might explore additional sectors or groups of users or potential users to engage with, such as the municipalities or the media. The Statistical Council should be enlarged to other sectors of the society, such as trade unions, the media, the civil society organisations, and local authorities. Monstat's statistical releases could also be improved to reach a larger audience, for example by including geographic comparisons, value-added analyses and user-friendly visualizations. Monstat should also engage more effectively with the media, in particular by establishing a new position dedicated to media/public relations.

Generally, the Peer Review team considers that Monstat is compliant with the European statistics Code of Practice. The recommendations in this report are intended to further enhance compliance with the Code of Practice.

## RECOMMENDATIONS

### Strengthen coordination within the National Statistical System

1. The Statistical Office of Montenegro should elaborate a clear definition of "official statistics" to serve as a visible quality label certifying compliance with the European statistics Code of Practice and establish a mechanism, possibly a coordination committee attached to the Statistical Council, to assess which authorities produce "official statistics" and qualify as Other National Authority. (Coordination, European statistics Code of Practice, Principles 1, 2 and 4)
2. The Statistical Office of Montenegro should support the Other National Authorities producing European statistics in implementing quality management to improve the overall quality of official statistics in Montenegro, providing further guidance and support in the form of technical assistance and training on implementing and monitoring quality in statistical processes and products. It should pay a particular attention to the timely accessibility of the Other National Authorities' quality reports and release them as soon as they are available. (Coordination, European statistics Code of Practice, Principle 4)
3. The Statistical Office of Montenegro should further strengthen its coordination role by publishing all official statistics via an Official Statistics Portal, according to a common release calendar and accompanied by standard metadata and quality reports. Such a portal could for example consist of a page on the Statistical Office's website with links to the official statistics on the ONA's websites and contain summary descriptions on the National Statistical System and the role and statistics of each of the ONAs. (Coordination, European statistics Code of Practice, Principles 6 and 15).

#### Increase resources and cost-effectiveness

4. In line with the Commitment on Confidence, the Montenegro national authorities should ensure adequate resources and premises to enable the National Statistical Office to fulfil its national and international obligations. (European statistics Code of Practice, Principle 3.)
5. The Statistical Office of Montenegro should streamline its programming process to articulate the mid-term strategy and the annual programme in a less time-consuming manner. (European statistics Code of Practice, Indicator 10.1)
6. In order to increase cost-effectiveness, the Statistical Office of Montenegro should develop a light mechanism to monitor the use of human resources by main phases of each statistical operation, including training activities. (European statistics Code of Practice, Indicators 3.3, 10.1)
7. The Statistical Office of Montenegro should engage in the use of quality management tools such as process analysis and the development of modules of the Generic Statistical Business Process Model (GSBPM) in order to increase the cost-effectiveness of the statistical processes and to enhance the quality of the statistical products. (European statistics Code of Practice, Principles 4, 7, 8, 10)
8. The Statistical Office of Montenegro should continue developing modern data collection methods, such as Computer Assisted Personal Interviewing (CAPI), Computer Assisted Telephone Interviewing (CATI), and Computer Assisted Web Interview (CAWI) for business as well as household surveys in order to improve efficiency, increase data quality and reduce the response burden. (European statistics Code of Practice, Indicators 9.3 and 10.2.)
9. The Statistical Office of Montenegro should continue developing the use of administrative sources and work with the relevant national authorities to ensure that all legal barriers restricting the access to personal identifiers are removed, in particular to allow a full register-based census to be conducted for the 2021 round and thus reducing significantly the cost of the census as well as the response burden. (European statistics Code of Practice, Indicators 2.2, 8.8, 9.4, 9.6, 10.3)

#### Develop user orientation

10. The Statistical Office of Montenegro should take steps to develop more proactive relationships with a wide range of users and potential users of official statistics. As a first step, identify categories of users and plan appropriate engagement activities - formal and informal - to improve understanding of the decisions and actions made by such users, and how Montenegrin official statistics can support them. (European statistics Code of Practice, Principles 6 and 11)
11. The Montenegro national authorities should review the composition of the Statistical Council with a view to ensuring that it provides more representation of users of official statistics working outside state institutions - including civil society, trade unions, the media, and local authorities. In the short-term, the Statistical Office of Montenegro should develop the existing Council page on its website so that it presents the Council as a distinct entity, and publish papers, minutes and formal opinions. (European statistics Code of Practice, Principle 11)
12. The Statistical Office of Montenegro should review statistical releases from a range of EU member states from the perspective of user-orientation, and implement a plan to

enhance statistical releases across the statistical system. Such enhancements should place an emphasis on geographical comparability (across Montenegro, with other Western Balkan countries, and EU member states) and comparability over time, as well as improving visualisation and providing value-added analysis to help users understand the main messages. (European statistics Code of Practice, Principles 14 and 15)

13. The Statistical Office of Montenegro should develop and implement a plan to engage effectively with the media, bringing dedicated specialist expertise to bear. Such a plan should be based on a recognition that the media play a vital role in statistical dissemination and in influencing public perceptions of official statistics. (European statistics Code of Practice, Principles 11 and 15)
14. The Statistical Office of Montenegro should prioritise the development of a modern website as the primary tool for disseminating official statistics, ensuring that it supports browsing from mobile phones and tablets and enables users to interact with it, for example in producing their own tables and charts. As a first step, create a Twitter account and use it to draw attention to the key messages in new statistical releases. (European statistics Code of Practice, Indicators 10.2, 15.2)

## LIST OF ABBREVIATIONS

CAPI	Computer Assisted Personal Interviewing
CATI	Computer Assisted Telephone Interviewing
CAWI	Computer Assisted Web Interviewing
CoP	European statistics Code of Practice
EMOS	European Master in Official Statistics
ESQRS	European Standard for Quality Report Structure
ESS	European Statistical System
EU-SILC	European Union Survey of Income and Living Conditions
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GSBPM	Generic Statistical Business Process Model
ICT	Information and Communication Technologies
LFS	Labour Force Survey
MICS	Multi Indicator Cluster Survey
Monstat	Statistical Office of Montenegro (Montenegro Statistics)
MoU	Memorandum of Understanding
NSI	National Statistical Institute
NSS	National Statistical System
ONA	Other National Authorities
TQM	Total Quality Management
UNICEF	United Nations Children's Fund

# 1. INTRODUCTION

This peer review report is part of a series of assessments, the objective of which is to evaluate the extent to which National Statistical Institutes (NSIs) of the enlargement countries comply with the European statistics Code of Practice (CoP). This series of assessments is based on a similar round of peer reviews carried out in EU Member States, and follows, as much as possible, the same methodology, slightly adapted to the context of the enlargement countries.

The CoP, which sets out a common quality framework for the ESS, was first adopted in 2005 by the Statistical Programme Committee and updated in 2011 by its successor, the European Statistical System Committee. The CoP – 15 principles and related indicators of good practice – covers the institutional environment, the statistical production process and the output of European statistics. The ESS is committed to fully complying with the CoP and is working towards its full implementation. Periodic assessments review progress towards reaching this goal.

The first round of peer reviews in the EU Member States in 2006-2008 was followed by a round of 'light' peer reviews and adapted global assessments in the enlargement countries in 2010-2012. The light peer reviews explored how the NSIs were progressing in implementing the parts of the CoP relating to the institutional environment and dissemination of statistics (principles 1-6 and 15). This resulted in reports for each reviewed NSI, available on the Eurostat website<sup>2</sup>. These reports also include a set of improvement actions covering all the principles of the CoP; these formed the basis of the annual monitoring of the implementation of the CoP in the enlargement countries in the period 2011-2018.

In line with the reviews carried out in EU Member States in 2014-2015, the scope of this second round of peer reviews is broader: the assessment of CoP compliance covers all principles; the CoP compliance of selected other national producers of official statistics (as well as the NSI) in each country is assessed; and the way in which statistical authorities coordinate the production and dissemination of official statistics within their statistical systems is explored.

In order to gain an independent view, the peer reviews have been externalised and an audit-like approach, where all the answers to the self-assessment questionnaires have to be supported by evidence, has been applied. Each peer review in the enlargement countries is conducted by three reviewers and has four phases: completion of self-assessment questionnaires by a country; their assessment by Peer Reviewers; a peer review visit; and the preparation of reports on the outcomes.

The peer review of Montenegro was conducted by Mr Jean-Michel Durr (chair), Mr Richard Laux, and Ms Véronique van der Zande with a peer review visit to Podgorica on 29 October – 2 November 2018. The programme of the visit is in Annex A and the list of participants in Annex B.

This report focuses on compliance with the CoP and the coordination of official statistics within the national statistical system. It is forward looking and does not discuss events in the past. Instead, the report highlights some of the current strengths of the statistical system and contains recommendations for improvement. Improvement actions developed by the Statistical Office of Montenegro on the basis of this report will be published within the four-week period starting when the final report is sent to the NSI.

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<sup>2</sup> <http://ec.europa.eu/eurostat/web/enlargement-countries/publications/reports>

## 2. BRIEF DESCRIPTION OF THE NATIONAL STATISTICAL SYSTEM

### Legislation

The Law on Official Statistics (No 01-374/2) was adopted in 2012 and regulates official statistics of Montenegro, the National Statistical System and the role of the Statistical Office of Montenegro. It describes the role of the Statistical Office of Montenegro as an independent professional institution and the carrier, disseminator and coordinator of the National Statistical System of Montenegro. The Director of the Statistical Office of Montenegro (Monstat) is appointed according to the legislation in force for appointing civil employees.

### Mission and vision

Monstat's vision is recognition as an institution providing internationally comparable, reliable and timely data in accordance with the needs of national and international users. This implies the creation of a unique, cost effective statistical system harmonised with European methodologies and providing data of the highest quality and in the most timely, accessible and impartial fashion possible. The mission of Monstat is to provide quantitative and representative information on economic, demographic, social and environmental phenomena in Montenegro to all national and international users, produced in accordance with internationally defined methodology and the highest professional standards. Data for national purposes and international dissemination should be provided at minimum costs. This shall be achieved through modern management, staff development, continuous harmonisation with international standards, user orientation, process modernisation and an improvement in working conditions.

### Structure of the NSI and the National Statistical System

Monstat is managed by the Director who is appointed according to the procedure of high civil employees in the Law on Civil Servants and State Employees. The role and tasks of the Director are described in the Law on Official Statistics. Monstat operates under five Sectors headed by Assistant Directors, which are subdivided in 16 Departments. Four additional horizontal Departments and the Service for general affairs, human resources and finance are reporting directly to the Director. Out of 200 positions defined in the Rulebook on internal organization and job descriptions of the Statistical Office, only 103 permanent staff are currently employed in Monstat.

Monstat's main tasks are to produce and disseminate official statistics in accordance with national and international user needs, to develop the statistical system, to coordinate programming, implementing and reporting on statistical activities, to monitor the implementation of the 15 principles, to meet obligations stipulated in international agreements, to develop and maintain statistical registers and systems, to engage with administrative data holders and to monitor the quality of statistical data and information.

In addition, the Law on Official Statistics defines the Statistical Office of Montenegro as the coordinating institution of the National Statistical System in Montenegro. The Central Bank of Montenegro, the Ministry of Finance and "other official statistics producers defined by the Official Statistics Programme" are defined as other official statistics producers. Monstat is responsible for developing and maintaining statistical methodology, nomenclatures and classifications for producing official statistics and provides guidance to other official statistics producers to ensure methodology implementation.

### Statistical Council

The Statistical Council consists of 17 members including the Director and another employee of Monstat, various public institutions representing users and data providers, Other National Authorities (ONAs), non-governmental organisations, academia and the business community. The Law on Official Statistics describes the composition, functions and organization of this body. The main responsibility of the Statistical Council is to advise on strategic matters affecting official statistics and the National Statistical System. It provides for example expert opinions on draft legal acts, strategies, multiannual programmes, annual implementation plans and implementation reports, the organisation of the census and other important statistical surveys and the respect of administrative data owners' duties according to the Law on Official Statistics.

#### Statistical Programme

According to the Law on Official Statistics official statistics activities are based on five-year programmes - consistent with five-year development strategies - and annual implementation plans. The Statistical Council is consulted on the programmes and implementation plans before they are approved by the government. The current programme covers the period 2014-2018 and the Statistical Office of Montenegro is in the process of preparing the programme for the period 2019-2023.

The five-year programmes include overviews of development goals and main results of official statistics in each area, while annual implementation plans are elaborated in more detail, listing the statistical surveys to be conducted, the administrative sources to be used and development activities, as well as the budget.

The implementation of the statistical activities is presented in annual reports on official statistics.

#### Statistical products

Monstat's statistical products cover macro-economic, business, social, agriculture and environmental statistics. In addition to a number of thematic publications, it also releases some cross-domain publications combining data from different areas, such as the statistical yearbook and the monthly statistical review, also available in printed form.

Monstat publishes statistics on its website, where users can find information in Montenegrin and English. The home page contains summary descriptions for each area of statistics containing links to detailed data, methodology, press releases, publications, metadata and quality reports.

All publications of statistical data are pre-announced in two release calendars, one covering Monstat's statistical data and one covering the data of the other official statistics producers. Monstat's data are always released at 11 am on the publication date and there is no privileged access before the official release.

Monstat handles particular user requests, such as questions about data or regarding particular aggregations, via contact points provided on the website. In addition, researchers can apply for access to micro-data without identifiers, using a standard written procedure. The rules and protocols for such access are provided in the Law on Official Statistics.

Finally, the report of a user satisfaction survey conducted in 2017 and representing the first step in enhancing communication with data users is published on the website.

### **3. COMPLIANCE WITH THE CODE OF PRACTICE AND THE COORDINATION ROLE WITHIN THE NATIONAL STATISTICAL SYSTEM**

#### **3.1 STRENGTHS OF THE NATIONAL STATISTICAL INSTITUTE IN RELATION TO ITS COMPLIANCE WITH THE CODE OF PRACTICE AND TO ITS COORDINATION ROLE**

This section of the report identifies some aspects of the CoP in relation to which the Statistical Office of Montenegro (Monstat) is regarded by the Peer Review team as showing high standards in relation to compliance with the CoP and its coordination role.

The Government of Montenegro signed a Commitment on Confidence in February 2018. This sets out the Government's commitment to respecting European statistical standards, including professional independence, access to administrative and register data, and confidentiality protection; the Government also committed to providing human and financial resources to improve the quality of Montenegrin statistics. The Commitment also establishes that the Statistical Office (of Montenegro) is the "competent body" referred to in the Law on Official Statistics and Official Statistical System as the 'state administration body responsible for statistics'; the Peer Review team was told that the Montenegrin legal system does not support the naming of specific organisations (such as the Statistical Office of Montenegro) in law. The Commitment is a strength because it provides public recognition by Government of the importance of official statistics and a trustworthy statistical system.

The official statistical system of Montenegro is supported by a legal framework (of March 2012) that articulates the principles of official statistics (article 6) which are the fifteen principles of the CoP (though it does not attribute them explicitly). More generally it sets out the role of the 'competent body' and other official statistics producers, stipulates the professional independence of the Director of the Statistical Office, and provides for good confidentiality protection and an effective mandate for data collection. It also establishes and specifies the objectives and composition of the Statistical Council. The Peer Review team considers that a statutory advisory body of this sort provides the Director of Monstat not only with advice from different perspectives but also, potentially, a degree of support should there be inappropriate challenge to the activities of the statistical system.

The Peer Review team recognises that the effective protection of confidentiality requires not only strong legal underpinnings, but also practical (technical and procedural) arrangements. The Peer Review team saw evidence of such arrangements, including the use of statistical disclosure control techniques. The Peer Review team was also told that the Statistical Office had successfully resisted a request for access to confidential Census data, supported by a favourable Court decision in a case that generated substantial media coverage. The Peer Review team heard from the research community that controlled access to non-disclosure micro data had been provided. Stakeholders more generally were very positive about the way in which the Statistical Office protects the confidentiality of the data it holds.

Observation of the website and of selected statistical releases, and discussions with stakeholders, led the Peer Review team to conclude that the Statistical Office clearly demonstrates impartiality and objectivity.

As part of the visit the Peer Review team met a selection of junior staff in a formal meeting, and the team engaged with other staff throughout the range of internal and stakeholder meetings. The team considers that staff are strongly committed to the Statistical Office and its mission; the Peer Review team was also impressed that about 80 percent of staff have university degrees

(Bachelor, Masters, or PhD). The team also heard that senior management are accessible and supportive, and that hierarchies are relatively flat.

The Peer Review team was also impressed by the fact that the University of Donja Gorica carries the European Master in Official Statistics (EMOS) label and actively collaborates with Monstat to match theory and practice. By 2019, the first students are expected to obtain an EMOS master degree, which would allow Monstat to employ highly qualified personnel.

Like all NSIs, the Statistical Office of Montenegro receives data from ministries, businesses and households. The ministerial and business providers who the Peer Review team met were very supportive and positive. Ministries felt that the memoranda of understanding (MoUs) between themselves and Monstat provided clarity about what data was required by when and appreciated that the Monstat helped improve the quality of their data. They did not find data provision burdensome. This view was shared by representatives of several large businesses, some of whom could readily extract the data required from their own internal systems. Data were provided to Monstat via paper questionnaires and via e-questionnaires.

Good quality estimates from statistical surveys depend in large part on high response rates. The Peer Review team considers that the response rates achieved by the Statistical Office, for example, between 80 percent and 85 percent for the Labour Force Survey (LFS) and for the European Union Survey of Income and Living Conditions (EU-SILC), and 90 percent for the Information and Communication Technologies (ICT) usage survey, compare favourably with response rates in many EU countries.

The Peer Review team considers that the Statistical Office has established a good basis for the effective coordination of the Other National Authorities (ONAs). For example, the multi-annual planning, and annual planning and reporting processes not only ensure that the relevant documents cover the whole statistical system but also, by virtue of the regularity and nature of the contacts across the statistical system ensure that ONAs are actively involved in the strategic development of the system. And in operational terms, the Statistical Office's sharing of information about training opportunities (and provision of its own training to ONAs), and the development of a statistical release calendar that includes ONAs as well as the Statistical Office, is evidence of the effective engagement that is the basis for further and deeper coordination.

## **3.2 ISSUES AND RECOMMENDATIONS**

This section presents the issues where the Peer Review team considers that the overall level of compliance with the CoP throughout the NSS could be enhanced:

- Strengthen coordination within the National Statistical System
- Increase resources and improve cost-effectiveness;
- Develop a user-oriented approach.

These issues are discussed with specific recommendations in the following sections of the report.

### **3.2.1 STRENGTHEN COORDINATION WITHIN THE NATIONAL STATISTICAL SYSTEM**

The Peer Review team considers that Monstat has established a good basis for an effective coordination of the ONAs, but identified three areas where it could further strengthen coordination within the National Statistical System:

- Elaborate a clear definition of "official statistics";

- Reinforce quality management of ONAs;
- Improve visibility of ONAs.

### **3.2.1.1 ELABORATE A CLEAR DEFINITION OF “OFFICIAL STATISTICS”**

The Peer Review team recognises that several mechanisms are in place to facilitate the coordination of the statistical system in Montenegro. Article 7 of the Law on Official Statistics defines the National Statistical System with Monstat as the coordinating institution. ONAs include the Central Bank of Montenegro, the Ministry of Finance and “other official statistics producers defined by the Official Statistics Programme”. This Article in the Law defining producers of official statistics allows additional institutions to be authorised to produce official statistics in the statistical work programmes. However, the criteria to qualify as a producer of official statistics are not clear.

To assess which authorities produce "official statistics" and qualify as Other National Authority, Monstat should elaborate a clear definition of “official statistics” to serve as a visible quality label certifying compliance with the CoP. This could be done by establishing a set of criteria based on principles of the CoP. It is the opinion of the Peer Review team that such a quality label would be a useful indication that the corresponding statistic is relevant and complies with quality standards. In adopting a set of requirements for official statistics, it would be beneficial to have the European standards of quality apply also to other national official statistics. In this way there would be only one standard for official statistics which served national and European purposes.

In addition, a mechanism could be established, possibly a coordination committee attached to the Statistical Council, to systematically monitor the compliance of ONAs on the basis of the “official statistics” definition.

In order to strengthen its coordination role, the Peer Reviewers recommend that:

1. The Statistical Office of Montenegro should elaborate a clear definition of "official statistics" to serve as a visible quality label certifying compliance with the European statistics Code of Practice and to assess which authorities produce "official statistics" and qualify as Other National Authority. (Coordination, European statistics Code of Practice, Principles 1, 2 and 4)

### **3.2.1.2 REINFORCE QUALITY MANAGEMENT OF ONAS**

Monstat has established a good frame for coordinating the ONAs. Articles 20 to 24 of the Law on Official Statistics define the processes and content for establishing development strategies, multi-annual programmes and annual implementation plans and Article 26 defines the implementation reporting processes. The Law ensures that the relevant documents cover the entire statistical system and that ONAs are actively involved in the strategic development of the system. Furthermore, Monstat shares information about training opportunities and provides training to ONAs. It also compiles a statistical release calendar for official statistics of ONAs.

However, in addition to the coordinating mechanisms in place at the operational level as well as in strategic documents such as the work programmes, the Peer Reviewers consider that Monstat should reinforce its assistance to ONAs on quality management covering both statistical processes and products. This should be done by providing more trainings to the ONAs to build knowledge about quality including quality of statistical processes. It should also further enhance technical assistance to the ONAs through in-house or external experts.

As regards quality reporting, Monstat should pay particular attention to the timely accessibility of the quality reports of ONAs. It should release them as soon as they are available and not wait to publish finalised quality reports until all reports are available.

In order to strengthen its coordination role, the Peer Reviewers recommend that:

2. The Statistical Office of Montenegro should support the Other National Authorities producing European statistics in implementing quality management to improve the overall quality of official statistics in Montenegro, providing further guidance and support in the form of technical assistance and training on implementing and monitoring quality in statistical processes and products. (Coordination, European statistics Code of Practice, Principle 4)

### 3.2.1.3 IMPROVE VISIBILITY OF ONAs

In addition to elaborating a clear definition of “official statistics” as described above, more visibility could be given to the National Statistical System and ONAs. Currently, the ONAs publish their statistics on their own websites and Monstat’s website contains no links to the ONAs’ statistics. A website publishing all official statistics in the same place offers a good channel to promote the scope of the NSS and products published by ONAs.

To achieve more visibility Monstat could create an official statistics portal on Monstat’s website with a special logo for official statistics. Such a portal could contain summary descriptions of the National Statistical System, the definition of official statistics, and the role and links to the statistics of each of the ONAs on their website. This would strengthen Monstat’s links to the ONAs and provide a user-friendly access to all official statistics.

The Peer Reviewers consider that Monstat should enhance the accessibility of official statistics by providing a common portal for the whole NSS and recommend that:

3. The Statistical Office of Montenegro should further strengthen its coordination role by publishing all official statistics via an Official Statistics Portal, according to a common release calendar and accompanied by standard metadata and quality reports. Such a portal could for example consist of a page on the Statistical Office's website with links to the official statistics on the ONA's websites and contain summary descriptions on the National Statistical System and the role and statistics of each of the ONAs. (Coordination, European statistics Code of Practice, Principles 6 and 15)

### 3.2.2 INCREASE RESOURCES AND IMPROVE COST-EFFECTIVENESS

Monstat, as a young National Statistical Institute, is facing an important shortage of resources to be able to fulfil its national and international obligations, such as the EU *acquis* under Chapter 18 on statistics of the “Negotiating Position of Montenegro for the Intergovernmental Conference on Accession of Montenegro to the European Union” as in force on 25 June 2013.

While the Peer Review team formed the opinion that it is of paramount importance to increase the resources allocated to the National Statistical Office, it also recommends that Monstat increase its cost-effectiveness.

The Peer Review team identified three areas of improvements of Monstat resources and capacity:

- Ensure sustainable resources;
- Develop cost-effectiveness;

- Continue developing modern methods of data collection.

### 3.2.2.1 ENSURE SUSTAINABLE RESOURCES

Whereas Monstat's government budget has increased over the past years (+6.8 percent in 2014, + 4.5 percent in 2015, + 11.3 percent in 2016, and +2.6 percent in 2017), and was complemented by donations from the EU amounting 8 percent of the total executed budget in 2014, 9.9 percent in 2015, 19.4 percent in 2016 and 12 percent in 2017, resources are still insufficient to cover the range of European statistics that Monstat should produce. Monstat has 200 positions approved, and only 103 currently filled, among which 80 hold a faculty degree. Although Monstat's situation is probably not worse compared to other Montenegrin public institutions, it limits seriously its capacity to fulfil the programme of official statistics as well as to answer users' needs for information.

The EU 2018 Report on progress made by Montenegro in the process for accession<sup>3</sup> noted that *"Montenegro is moderately prepared in the area of statistics. Some progress was made on harmonising the statistical methodology with EU standards and the increased transmission of data, notably macroeconomic, social, business and agricultural statistics. However, significant efforts are still needed in the statistical system to address the 2016 recommendations. In the coming year, Montenegro should in particular: considerably strengthen the human and financial resources of the Statistical Office of Montenegro and also strengthen the human resources of the Ministry of Finance in order to fulfil its responsibilities regarding government finance statistics; and further align its statistics with ESA 2010, including government finance statistics."*

The current number of employees is not sufficient to fulfil all obligations within the deadline of 2020 defined by the Government of Montenegro as the ultimate fulfilment of all obligations arising from the EU integration process. In addition, in several domains Monstat has only one employee for one or more areas covered by chapter 18, putting at risk the sustainability of the production of such statistics.

Beyond EU integration needs, some national needs are not fully covered, such as statistics on tourism, which is said to represent an important part of the Gross Domestic Product (GDP) of the country (accommodation and food services activities represented 7.5 percent of the GDP in 2017).

Monstat's number of employees has been about the same for five years. The current regular staff increase of five employees per year is cancelled out by a similar turnover of staff who are not automatically replaced and this results in no real staff increase over time. The Peer Review team was told that due to the lack of resources, most Monstat's employees worked overtime and some people preferred to leave for other less demanding positions in the government administration.

The current premises of Monstat are inadequate. The building is old and shared with the Commercial Court, and does not offer the space needed for a National Statistics Institute. Access to the building is not restricted and the room to store questionnaires and archives is not adequate.

The Peer Review team recognises that it is probably difficult for the government to provide such an increase of resources in one single budget year, but it formed the opinion that without an adequate resource level, Monstat faces the risk not being able to fulfil its obligations regarding national needs in official statistics as well as in the EU requirements. While the Peer Review team

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<sup>3</sup> EU Commission Staff Working Document - Montenegro 2018 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2018. Communication on EU Enlargement Policy. Strasbourg, 17.4.2018. SWD (2018) 150 final.

considers that Monstat should further enhance its cost-effectiveness, it also considers that Monstat should be resourced adequately.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

4. In line with the Commitment on Confidence, the Montenegro national authorities should ensure adequate resources and premises to enable the National Statistical Office to fulfil its national and international obligations. (European statistics Code of Practice, Principle 3.)

### 3.2.2.2 DEVELOP COST-EFFECTIVENESS

Programming of statistical activities in the NSS is based on a three-tier procedure. At the first level, Monstat prepares a Development Strategy in cooperation with the ONAs for a period of at least three years as requested by article 20 of the Statistical Law. Currently, the strategic plan covers five years, 2014-2018. The Development Strategy of Official Statistics determines the long-term goals based on the current state of affairs, needs and future development. The second level is a five-year programme of official statistics, referring to the same five-year period of the Development Strategy as well as for the current one to the period for which the Government of Montenegro is preparing the Programme for the Accession of Montenegro to the EU. Consequently, the Strategy and the Programme of Official Statistics represent also a detailed harmonisation plan of the Chapter 18 - Statistics. According to article 21 of the Statistical Law, other official statistics producers shall submit to Monstat proposals for preparing the five-year programme under their competence, no later than 15th September in the year preceding the year for which the programme is adopted.

According to article 23 of the Statistical Law, Monstat also prepares an annual plan of official statistics, which is the third level of programming. Therefore, the annual programme is quite constrained by the five-year programme and also the limited leeway to include other operations than those required by the EU accession requirements. However, the process to elaborate the annual programme is quite lengthy and time consuming for the unit in charge. The process starts in March, and last year, three meetings were organised with the ONAs. A first draft of the annual plan is prepared in June, from the proposals coming from the units of Monstat and the ONAs. In the meantime, the release calendar is prepared. In September, a second draft is prepared after consultations with ONAs.

The annual plan is then discussed in a meeting of the Steering Committee of Monstat. After approval by the Steering Committee, a third draft is finalised and sent to the Statistical Council for approval, and later to the Ministry of Finance for approval and further transmission to the Government Secretariat.

The Peer Review team formed the opinion that this process could be simplified, considering the limited degree of freedom of the statistical programme.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

5. The Statistical Office of Montenegro should streamline its programming process to articulate the mid-term strategy and the annual programme in a less time-consuming manner. (European statistics Code of Practice, Indicator 10.1)

Monstat has not introduced an accounting system that registers the working time of each staff member, classified to particular statistical activities. This prevents Monstat from analysing the time spent developing or implementing each statistical operation, comparing resource consumption and identifying potential productivity gains.

The Peer Reviewers recommend that Monstat develop a light monitoring system recording the time spent by the staff on statistical operations as well as support activities, classified according to the main phases of the Generic Statistical Business Process Model (GSBPM). It is important that the system also record and classify the work of the 341 full-time and part-time interviewers, to obtain a complete view of the cost of each survey. The system could combine the time-recording information with financial data, and to classify the results according to the GSBPM. Such a cost-accounting system should enable Monstat to cope more effectively with its limitations on financial and human resources, and to use cost-based planning to make the best use of resources.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

6. In order to increase cost-effectiveness, the Statistical Office of Montenegro should develop a light mechanism to monitor the use of human resources by main phases of each statistical operation, including training activities. (European statistics Code of Practice, Indicators 3.3, 10.1)

Monstat has created in 2014 a unit for quality management, the Department for Quality Management and Development of Methodology, and recently established a working group for quality. However, the department has currently no employees. So far, joined working groups with ONAs on quality framework and quality reporting have been established, and a quality management strategy was adopted in November 2017.

The quality management system is based on the principles of the Total Quality Management (TQM) and promotes the participation of employees with a process orientation approach. Processes will be analysed using the GSBPM as a framework to describe the components of statistical activities.

Monstat is using the Integrated Data System (IST) developed by the Statistical Office of Serbia. The system manages a central metadata database, used to produce standard quality reports, for the users directly on the website, and for producers internally. Monstat organised a presentation for its staff to update the metadata system and to involve ONAs in creating quality reports for their surveys.

This year, a working group is mapping the activities of five processes with the GSBPM framework, to serve as a pilot to further extend to all statistical processes.

Despite being quite recent, the quality management unit of Monstat has already produced an array of results, including a user satisfaction survey, national quality reports for users and producers, instructions for completing the quality reports, and ordinance on the conditions and terms for using confidential statistical data for scientific purposes.

Future plans include:

- Implementation of GSBPM for documentation, quality assessment and improvement of statistical processes;
- Improving the quality of Quality Reports based on the European Standard for Quality Report Structure (ESQRS);
- Monitoring and implementation of activities defined in the Guidebook for implementation of a Quality Strategy;
- Training and integration of other national statistical authorities in quality management framework and continuously education of them;

- Self-assessment process.

The Peer Review team praises Monstat for the work already accomplished to establish quality management in the office and encourages Monstat to continue its efforts in this area. However, Monstat, faced with the limitation of resources, must become a leaner organisation, more agile and flexible. Beyond the relatively “passive” use of quality management to manage metadata and create quality reports, Monstat should adopt more active quality management in order to seek productivity gains. For example, process mapping provides a useful tool to improve processes. By visually depicting the sequence of events in the process, the players involved, and the time needed for each step, process mapping allows the identification of bottlenecks and other potential “wastes” of resources and thus improve the efficiency of the process.<sup>4</sup>

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

7. The Statistical Office of Montenegro should engage in the use of quality management tools such as process analysis and the development of modules of the Generic Statistical Business Process Model (GSBPM) in order to increase the cost-effectiveness of the statistical processes and to enhance the quality of the statistical products. (European statistics Code of Practice, Principles 4, 7, 8, 10)

### 3.2.2.3 CONTINUE DEVELOPING MODERN METHODS OF DATA COLLECTION.

Goal 5 of the Development Strategy 2014-2018 aims at a better organisation and control of statistical processes by introducing modern technologies, in particular the use of IT tools in the production process. As part of achieving this goal, Monstat started electronic data collection in 2015 using Computer Assisted Web Interview (CAWI) for business surveys. A web portal allows businesses to access securely (each responding unit has its own account) and fill in the electronic questionnaire. Currently, Monstat uses CAWI method for data collection of four surveys: Turnover Indices of Retail Trade – 45 percent of businesses respond using CAWI; Survey on Arrivals and Overnight Stays of Tourists – 42 percent of businesses respond using CAWI; Procurement, Sales and Stocks of Petroleum Products – 20 percent of businesses respond using CAWI; Report on Entrance of Raw Milk (cow milk) and Obtained Dairy Products – 45 percent of businesses respond by using CAWI. These good response rates using CAWI should encourage Monstat to continue developing this mode of data collection, which also reduces the burden on businesses.

Monstat is also using Computer Assisted Personal Interview (CAPI) method for other statistical operations, such as household surveys: Report on Livestock of Agricultural Holdings; Report on Expenditures and Production of Agricultural Holdings; Survey on ICT Use in Households; Pilot Survey on Production of Vegetables in 2018; and the Multi Indicator Cluster Survey (MICS) in collaboration with UNICEF.

The further development of electronic data collection will increase the cost-effectiveness of statistical operations and the production of higher quality statistics.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

8. The Statistical Office of Montenegro should continue developing modern data collection methods, such as Computer Assisted Personal Interviewing (CAPI),

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<sup>4</sup> See for example the Eurostat handbook: Handbook on identifying the key variables of statistical processes and on measuring and analysing those variables. 2004. Available at: <https://ec.europa.eu/eurostat/en/web/products-eurostat-news/-/GO-LEG-20040510>

Computer Assisted Telephone Interviewing (CATI), and Computer Assisted Web Interview (CAWI) for business as well as household surveys in order to improve efficiency, increase data quality and reduce the response burden. (European statistics Code of Practice, Indicators 9.3 and 10.2.)

Monstat is allowed and encouraged to use administrative data for statistical purposes in accordance with the Law of Official Statistics. Article 27 of the Law provides that if administrative data sources are available and may be used for meeting user needs, statistical surveys shall not be undertaken. Article 35 of the Law states that: *“The competent body, for purpose of carrying out official statistics activities, shall have right to access all administrative data sources, also including identifiers, and data collected through continuous monitoring and observation method, unless statistical use of those data is prohibited in accordance with the law”*.

As aforementioned, the Commitment on Confidence signed this year lays out the Government’s commitment to develop a system of official statistics providing continuous and qualitative primary sources of data, as well as data from administrative registers.

Goal 4 of the Development Strategy 2014-2018 is “Stronger use of administrative sources in view of reduction of expenses and burden on respondent units” with the purpose of reducing financial costs and response burden and providing statistics of higher quality. However, Monstat considers that it does not have sufficient influence over access to and design of administrative sources.

Monstat is already using administrative sources and has signed 20 memoranda of understanding with owners of administrative data to facilitate the use of administrative data for statistical purposes. Memoranda of understanding include joint agreements concerning security of the data, the provision of files with individual data and delivery deadlines and information about the statistical operations in which the data will be used.

Three years ago, Monstat established a working group with members of the Ministry of Interior, of the Cadastre, and of the Ministry of Finance to consider the possibility of conducting a register-based census. The working group prepared a document about the advantages of a register-based census, and the government adopted the document.

A more detailed document was prepared about the pre-conditions for such a methodology. In particular, it implies the need to change several laws. The last part of article 35 of the Statistical Law (*“unless statistical use of those data is prohibited in accordance with the law”*) currently prevents Monstat from accessing the personal identification number of the population register as this register is regulated by a law forbidding the release of this information. Currently, Monstat has access to the population register but only to a statistical identification number created by the Ministry of Interior for statistical purposes, which prevents Monstat from merging with other administrative sources. Monstat is in the process of changing the Statistical Law to have access to all registers with personal identifiers, whatever their specific regulations. Official support from the Government to the amendment was received in February 2018, and in March Monstat received confirmation from the EU Commission that the amendment was in line with the Regulation (EC) No 223/2009 on European statistics. In the meantime, Monstat conducts a series of consultations with other ministries, as they also must change some articles in their laws. In particular, the Law on Personal Data Protection will have to be changed: it is also currently under revision by the Agency for Personal Data Protection and Free Access to Information to harmonise with the General Data Protection Regulation (GDPR).

Besides the population register, it is necessary to establish an address register. Currently, the population register includes for the address only a code for city, street and house number, but no

geographical coordinates. The Address Register will be used to include the dwelling code in the Population Register. This will allow the identification of the members of the households (persons living in the same dwelling). The Cadastre is expected to use the Address Register to include information on dwellings (such as floor space, and number of rooms). The Address Register is expected to be completed by 2020.

The Peer Review team considers that the possibility of conducting a register-based population and housing census in 2021 or immediately thereafter is of paramount importance to the country. It would significantly reduce the cost of the census and the burden on the population, and allow Monstat to continue to develop new statistical operations in line with the EU accession agenda.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

9. The Statistical Office of Montenegro should continue developing the use of administrative sources and work with the relevant national authorities to ensure that all legal barriers restricting the access to personal identifiers are removed, in particular to allow a full register-based census to be conducted for the 2021 round and thus reducing significantly the cost of the census as well as the response burden. (European statistics Code of Practice, Indicators 2.2, 8.8, 9.4, 9.6, 10.3)

### 3.2.3 DEVELOP A USER-ORIENTED APPROACH

The Peer Review team formed the view that Monstat is somewhat inward-looking, and that to enhance its compliance with the CoP it should take a number of steps towards becoming more external facing and user-oriented. The team identified five areas for improvement related to user-orientation:

- Develop proactive relationships with users;
- Review the composition and profile of the Statistical Council;
- Develop user-friendly statistical releases;
- Engage more effectively with the media;
- Improve the website.

#### 3.2.3.1 DEVELOP PROACTIVE RELATIONSHIPS WITH USERS

While users are not part of national statistical systems, they should be central to the activity of the system – all aspects of the way in which statistics are compiled, processed and disseminated should reflect users' needs. This sounds straightforward but, in practice, it requires NSIs to develop and maintain relationships with institutions and individuals who have other priorities, and who might not be in a position to readily describe their needs. It also requires NSIs to prioritise their statistical activities, so that they are addressing the most important issues facing those who need to make decisions based on official statistics, or who wish to do so. The more limited the NSI's resources, the less it will be able to satisfy all users; hence there is an important need to have effective relationships so that users do not become dissatisfied with the NSI. In the case of Montenegro, where approximately 90 percent of statistical activity is focused on the EU *acquis*, there is limited scope to meet needs for additional data.

Effective relationships with a wide range of users also provide protection for NSIs against challenge or criticism: users provide strength and can play a vital advocacy role on behalf of official statistics and the NSI.

In general, the Peer Review team considers that the relationships between Monstat and established institutional users of official statistics are positive. Users in Ministries, and the business and academic research sectors were satisfied with Monstat's work and with the quality of its statistics. Relationships with media representatives appeared to be less positive; this issue is discussed later in this report, reflecting the fact that the media are intermediary users, rather than decision makers.

The Statistical Council plays a key role in advising Monstat; the Council's objectives refer explicitly to users' needs, and this is reflected in its membership, which primarily consists of users from ministries.

The Peer Review team was told that users are consulted and provide feedback about the five-year work programme, and the annual work plan. Monstat has regular meetings with the ONAs and with data providers, in the context of reviewing activity against the MOUs.

Monstat conducted a User Satisfaction Survey to inform the current Peer Review. The survey results, published in September 2018, show that the overall average rating of user satisfaction with the service provided by Monstat, on a scale of 1 to 5 (where 1 is 'dissatisfied' and 5 is 'very satisfied') was 4.0; over half the respondents provided a rating of 4 or more. Based on the more detailed information from the survey, Monstat is planning to improve its website and its communication with users, and to promote the work of the Statistical Council. And it is planning to continue existing work to speed up the publication of statistics and to make data available at more detailed levels and lower levels of classification. The Peer Review team understands and supports these proposals. Monstat is planning to conduct further biennial user satisfaction surveys, an approach that the Peer Review team endorses.

Nevertheless, the Peer Review team gained the impression that engagement with users is limited to particular sectors, and is formalised in set-piece meetings about procedural issues, leading to relationships that are somewhat reactive and restricted. The Peer Review team considers that the most effective relationships with users are those based on the statisticians making a sustained effort to understand the issues facing users – including the nature of the decisions that they need to make, their tolerance of uncertainty, and the way that statistics are accessed and re-packaged. These are not issues that lend themselves particularly well to quarterly progress meetings; instead they require the statisticians to spend time with users, including in their own environment, and being flexible to changing agendas and interests.

The Peer Review team considers that Monstat might make greater use of the information it has about the users of its website in exploring additional sectors or groups to engage with. And it might consider the main uses made of official statistics – such as national/local policy making, operational and commercial decision making, resource allocation – in reflecting upon the range of users and potential users of its service. One example is municipalities – which will have interests in data for their own areas that might be addressed from the Population and Housing Census and from the increasing range of administrative data that Monstat holds.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

10. The Statistical Office of Montenegro should take steps to develop more proactive relationships with a wide range of users and potential users of official statistics. As a first step, identify categories of users and plan appropriate engagement activities – formal and informal – to improve understanding of the decisions and actions made by such users, and how Montenegrin official statistics can support them. (European statistics Code of Practice, Principles 6 and 11)

### 3.2.3.2 REVIEW THE COMPOSITION AND PROFILE OF THE STATISTICAL COUNCIL

Articles 12-17 and article 19 of the Statistical Law establish the Council of the Statistical System, usually referred to as the Statistical Council. Its primary objective is “improving statistical culture and knowledge as well as meeting official statistics users’ needs” (article 12). Within this overall context, article 13 sets out the Council’s main tasks:

The Council shall provide expert opinions and proposals on:

- 1) Strategic issues of official statistics and statistical system;
- 2) Draft Development Strategy, draft Programme, draft Annual Plan, and draft report on the implementation of the Annual Plan;
- 3) Draft laws and other legal acts related to the official statistics;
- 4) Cases when the bodies keeping the administrative data sources fail to provide data required for statistical purposes compliant with this Law;
- 5) Development and improvement of official statistics system and international cooperation;
- 6) Raising the level of knowledge of both statistical producers and data users;
- 7) Official statistics system functioning;
- 8) The need for conducting the census; introducing, revising or suspending large statistical surveys; infrastructure projects and financial sources for their implementation;
- 9) Guidance for implementation of official statistics principles, and
- 10) Other issues of relevance for the functioning of the official statistical system.

Article 14 outlines the composition and appointment of the Council – it has 17 members, drawn from specified institutions (such as Ministries) or sectors (such as business associations). The Director of Monstat is a member of the Council. The President of the Council is currently the representative from the Central Bank of Montenegro. Apart from the President, and Monstat’s two members and the secretary, ten members represent state institutions, and four represent external sectors. The Ministry of Science – an ONA – is not represented because it was not an ONA at the time the law was published, in March 2012. In discussion with users of official statistics, and providers of data to Monstat, there was uncertainty about the identity of the business association member of the Council.

The Peer Review team considers that the Council would be more effective in addressing its objective of meeting users’ needs if its membership included more external representation – including of the media, local authorities, trade unions, and civil society.

Subsequent articles require the Council to establish rules of procedure and to publish opinions on its website and establish that it should be supported administratively and financially by Monstat.

Membership of the Council is voluntary, without reimbursement. The Peer Review team was told that this is a potential problem - that members of the Council are overburdened with their day-to-day duties in their respective institutions and that because their work in the Council is on a voluntary basis, the motivation of some of the Council members might be affected. The team was told that in a previous period, when members of the Council received compensation, they had higher motivation for working in the Council.

The Council meets about four times a year and conducts other business via email. The Peer Review team was told that it discusses and advises on issues such as whether to continue to publish

statistics about the price of a minimum consumer basket of goods, and the need for a trilateral Memorandum of Understanding between Monstat, the Ministry of Finance, and the Central Bank of Montenegro.

The Council does not have its own website; instead its internet presence is via a page on the website of Monstat. However, this web page does not provide links to material such as agendas and papers, or formal opinions.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

11. The Montenegro national authorities should review the composition of the Statistical Council with a view to ensuring that it provides more representation of users of official statistics working outside state institutions - including civil society, trade unions, the media, and local authorities. In the short-term, the Statistical Office should develop the existing Council page on its website so that it presents the Council as a distinct entity, and publish papers, minutes and formal opinions. (European statistics Code of Practice, Principle 11)

### 3.2.3.3 DEVELOP USER-FRIENDLY STATISTICAL RELEASES

If an NSI's website is its shop window, its statistical releases are the goods inside the shop – they are the products that are consumed. It follows that statistical releases should be designed to meet the needs of users, by identifying the main messages in a set of statistics and providing insight.

At the heart of official statistics is the need to provide comparisons. To know the number of unemployed people in a country is not particularly useful in itself. Knowing the year-on-year change in the unemployment rate for men and for women, by region, starts to provide genuinely useful information to policy makers. Furthermore, it can generate interest in more in-depth analysis that goes beyond simple description and add value by virtue of explanation.

The Peer Review team was told that Monstat does not have a common approach to its statistical releases, so there is variation in the main dimensions of comparability (geographical, temporal, and demographic (such as gender and age) and variation in the use and format of tables and charts. The team reviewed the release of the LFS results for the second quarter of 2018; while the release is objective and impartial, it does not provide estimates of change over time, or estimates for different parts of Montenegro (only presented in annex in Excel tables).

In discussion with users, there was a clear appetite for statistical releases to provide international comparisons – with other countries in the region, and with EU member states. This, alongside other approaches to providing comparative information to support users, is standard practice in most EU member states. The Peer Review team notes that the 2017 annual transport statistics publication presents railways passenger kilometres for each year since 2011, for each EU member state – an example of good practice.

The Peer Review team was told that when users request supplementary information, Monstat provides it. The team sees value in recording and analysing these 'follow-up' requests, because they are a valuable source of information about what users need. One example brought to the team's attention was about gender-disaggregated statistics: the team considers that all social and socio-economic statistics should show men and women, as a matter of routine.

These steps to enhance comparability should help Monstat to gain confidence in its understanding of each set of statistics, and this will provide a basis for more analytical work to add more value. It was suggested to the Peer Review team that article 9 of the Statistical Law might prohibit

Monstat from undertaking analysis – this requires Monstat to perform activities relating to “analyses and interpretations of statistical outcomes” – because ‘statistical outcomes’ might be interpreted as meaning only basic aggregations of data. The Peer Review team considers instead that this clause in article 9 actually supports Monstat in undertaking analytical work. Those users who were part of the Peer Review supported the need for more analytical work; for example, when the Multiple Indicator Cluster Survey (MICS) is complete, there is interest in analysis to explore what it reveals about early childhood development.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

12. The Statistical Office of Montenegro should review statistical releases from a range of EU member states from the perspective of user-orientation, and implement a plan to enhance statistical releases across the statistical system. Such enhancements should place an emphasis on geographical comparability (across Montenegro, with other Western Balkan countries, and EU member states) and comparability over time, as well as improving visualisation and providing value-added analysis to help users understand the main messages. (European statistics Code of Practice, Principles 14 and 15)

#### 3.2.3.4 ENGAGE MORE EFFECTIVELY WITH THE MEDIA

In most countries the media plays an important role in the dissemination of official statistics: to play this role effectively it is important that they have sufficient understanding of the statistics to be able to report on them accurately. This understanding is rooted in the journalist’s own reading of the statistical release and associated methodological material, attendance at press conferences, and informal contacts with the NSI’s media relations/press office team. And the media is important in terms of the NSI’s reputation and profile – critical articles can quickly undermine trust and confidence in an NSI or the statistics it produces.

Enhancements to statistical releases – which would, inter alia, make them more useful to journalists – were addressed in the previous recommendation. In terms of press conferences, the Peer Review team was told that Monstat holds one each quarter to present the latest estimates of GDP, and other ad hoc conferences to launch the results of new surveys or to explain methodological developments. For example, Monstat held a press conference to explain its decision, based on advice from the Statistical Council, to retain the monthly publication of the costs to households of buying a minimum basket of goods. But despite this, media concerns about the minimum basket remain. And the Peer Review team was told that concerns about adverse media coverage led Monstat to decide against reducing the frequency of the publication from monthly to annual (which the Peer Review team can see arguments in favour of). In short, Monstat’s relationship with the media is not as strong as the Peer Review team considers appropriate.

The media representatives who the Peer Review team met were in favour of more press conferences, and the establishment by Monstat of a new position dedicated to media/public relations. This role might usefully involve proactive engagement with the media, similar to that recommended above for other categories of users. The Peer Review team supports both proposals, and notes that Monstat reached a very similar conclusion in its assessment of the results of the September 2018 User Satisfaction Survey, from which it concluded that in the absence of media training for staff, there would be value in one or more individuals dedicated to external communication and engagement.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

13. The Statistical Office of Montenegro should develop and implement a plan to engage effectively with the media, bringing dedicated specialist expertise to bear. Such a plan should be based on a recognition that the media play a vital role in statistical dissemination and in influencing public perceptions of official statistics. (European statistics Code of Practice, Principles 11 and 15)

#### 3.2.3.5 IMPROVE THE WEBSITE

It is hard to overstate the importance of an NSI's website to users of its statistics, the media, and the general public – the website is the public face of the NSI and for many people their perceptions of the NSI will be rooted in their views about its website.

In the Peer Review meetings, stakeholders' views about Monstat's website varied. Some, who were familiar with its layout, felt it was adequate. Others, particularly those who make regular use of the websites of NSIs in EU member states felt more strongly that the website requires significant improvement. The Peer Review team supports the need to make a range of improvements – in practice, developing a new website – and notes that this was a conclusion drawn by Monstat in its review of the results of the September 2018 User Satisfaction Survey.

The Peer Review team would emphasise the inclusion of features such as: accessibility using different types of devices, particularly mobile phones and tablets; improved graphics; interactive charts and tables, enabling the user to select data items (such as years, or geographic areas) to produce their own graphics; reference databases; and the development of an app to replace the hard copy 'Montenegro in Figures' – such publications can be very valuable, but hard copy versions quickly become out-of-date, increasing the risk that a busy user – such as a minister – might inadvertently quote an incorrect statistic. The Peer Review team considers that there is some value in hard copy publications, but that this value chiefly lies in symbolism and tradition; some users may prefer hard copy publications, but the Peer Review team considers that Monstat needs to display leadership in pursuing a web-only dissemination strategy.

Users also noted that it would be helpful to digitise paper editions of older hard-copy publications, to help make long time series accessible; the Peer Review team supports this, noting that there would be value in prioritising key indicators. And users mentioned that they wanted to be able to navigate through the website more rapidly, with as few clicks as possible.

Monstat did caution the Peer Review team that public procurement exercises in Montenegro can be quite protracted, so it may take a long time to launch a new website.

Users, particularly representatives of the media, supported the suggestion that Monstat should develop a social media strategy. The Peer Review team supports this, noting that in many EU member states platforms such as Twitter have proved more useful (for highlighting key messages and graphics, and to point to a statistical release) than platforms such as Facebook.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

14. The Statistical Office of Montenegro should prioritise the development of a modern website as the primary tool for disseminating official statistics, ensuring that it supports browsing from mobile phones and tablets and enables users to interact with it, for example in producing their own tables and charts. As a first step, create a Twitter account and use it to draw attention to the key messages in new statistical releases. (European statistics Code of Practice, Indicators 10.2, 15.2)

**3.3 NATIONAL STATISTICAL INSTITUTE VIEWS WHERE THEY DIVERGE FROM PEER REVIEWERS' ASSESSMENT**

## ANNEX A: PROGRAMME OF THE VISIT

### PEER REVIEW VISIT TO MONTENEGRO

29 October–2 November 2018

#### AGENDA

Time	Programme
Day 1 – Monday 29 October 2018	
09.00–10.00	PR team discussion to finalise the preparation of the visit
10.00–11.00	Preparatory meeting with Monstat coordination team and, possibly, other national participants in the visit to discuss practical aspects of the visit
11.00–11.15	Coffee break
11.15–11.45	Welcome and introduction of programme, adopting the agenda, organisational matters.
11.45–13.00	Presentation of the National Statistical System (General information session with description on how NSS is organised).
13.00–14.00	Lunch
14.00–15.00	Coordination role of the NSI
15.00–15.15	Coffee break
15.15–17.00	The Law on Official Statistics and related legislation (CoP Principles 1, 2, 5 and 6)
Day 2 – Tuesday 30 October 2018	
9.00–11.00	Programming, planning and resources, including training (CoP Principles 3, 9 and 10)
11.00–11.15	Coffee break
11.15–13.00	Quality (organisational structure, tools, monitoring...) (CoP Principles 4 and 11 to 15)
13.00–14.00	Lunch
14.00–15.45	Dissemination, including confidentiality and user consultation (CoP Principles 5, 6, 11 and 15)
15.45–16.00	Coffee break
16.00–17.00	Methodology, data collection, data processing and administrative data (CoP Principles 2, 7 and 8)
Day 3 – Wednesday 31 October 2018	
09.00–10.30	Methodology, data collection, data processing and administrative data (CoP Principles 2, 7 and 8) ( <i>Continuing</i> )
10.30–10.45	Coffee break
10.45–11.45	Meeting with Other National Authorities (ONAs): Central Bank of Montenegro and Ministry of Science
11.45–12.45	Meeting with providers of administrative data
12.45–13.45	Lunch
13.45–15.00	Meeting with the Statistical Council

Time	Programme
15.00–15.15	Coffee break
15.15–17.00	Meeting with junior staff
<b>Day 4 – Thursday 1 November 2018</b>	
09.00–10.30	Meeting with main users – ministries and other public/private institutions (including Central Bank as a user).
10.30–10.45	Coffee break
10.45–12.45	Meeting with main data providers/respondents
12.45–13.45	Lunch
13.45–14.45	Meeting with main users – media
14.45–15.45	Meeting with main users – scientific community
15.45–16.00	Coffee break
16.00–17.00	Meeting with international organisations
<b>Day 5 – Friday 2 November 2018</b>	
09.00–10.00	PR team discussion
10.00–10.15	Coffee break
10.15–11.00	Clarifications, remaining of additional issues and focus areas
11.00–12.30	Meeting with senior management: conclusions and recommendations

## ANNEX B: LIST OF PARTICIPANTS

	Peer reviewers
1	Mr Jean-Michel Durr (chair), leading expert
2	Mr Richard Laux, expert
3	Ms Véronique van der Zande, Eurostat
	Management of the Statistical Office of Montenegro
4	Ms Gordana Radojevic, Director General
5	Mr Vuk Cadjenovic, Assistant director for Social statistics and demography
6	Ms Branka Susic Radovanovic, Assistant director for macroeconomic statistics, national accounts and prices
	Peer review coordinator team of the Statistical Office of Montenegro
7	Mr Vuk Cadjenovic, Assistant director for Social statistics and demography
8	Ms Irena Varagic, Adviser in sector for demography statistics, education, culture and justice
	Other participants from the Statistical Office of Montenegro
9	Ms Bojana Radojevic ,Head of department for national statistical coordination
10	Ms Natasa Saranovic ,Head of department for information and communication technology
11	Ms Branka Raicevic ,Head of department for data collection
12	Ms Marija Dzeverdanovic ,Head of department for technical support of statistical products
13	Ms Dragana Zivkovic ,Coordinator for department for dissemination and management of statistical databases
14	Ms Jelena Markovic (Head of department for implementation of international statistical projects)
15	Mr Drazen Bogojevic ,Department for statistical sample
16	Ms Milena Pejovic ,Service for general affairs, human resources and finance
	Junior staff from the Statistical Office of Montenegro
17	Mr Boris Muratovic, Department for Business Statistics and short-term indicators
18	Mr Milos Maltez, Department for statistics for research on ICT and statistics for research and development and innovation
19	Mr Drazen Bogojevic, Department for statistical sample
20	Ms Aleksandra Cvorovic, Department for price statistics
21	Ms Maja Glendza, Department for labour market statistics
22	Ms Milica Glomazic, Department for agriculture and fishery statistics
23	Ms, Dragana Kalezic, Department for statistics for research on ICT and statistics for research and development and innovation
	Representatives of Ministries and other public/private institutions
24	Ms Milica Kilibarda, Central Bank of Montenegro

25	Ms Mira Radunovic, Central Bank of Montenegro
26	Ms Darja Milic, Central Bank of Montenegro
27	Mr Radovan Zivkovic, Ministry of finance
28	Ms Kristina Lapcevic, Ministry of agriculture
29	Ms Milica Divanovic, Ministry of agriculture
30	Mr Mirsad Spahic, Ministry of agriculture
31	Ms Natasa Terzic, Institute for public health
32	Ms Nina Drakic, Chamber of economy of Montenegro
33	Ms Bojana Kalezic, Montenegro Business Alliance
34	Mr Mirza Muleskovic, Montenegrin Employers Federation
35	Representatives of main users, data providers/respondents
36	Ms Ljubica Pajovic, 13 July Plantaze
37	Mr Mitar Uskokovic, BAR-KOD
38	Ms Tatjana Vasiljevic, BAR-KOD
39	Mr Bojan Batricevic, CISTOCA
40	Ms Tatjana Curovic, Hotel Hilton
41	Ms Darja Jovanovic, Hotel Hilton
42	Mr Miroslav Djurovic, Railway Transport of Montenegro
43	Ms Mirela Muratovic, Railway Transport of Montenegro
	Representatives of the scientific community
44	Ms Snezana Dragojevic, Center for Sustainable Development
45	Mr Sasa Popovic, Center for Sustainable Development
46	Mr Milika Mirkovic, Institute for Strategic Studies and Prognoses
47	Ms Neda Devic, Geological Survey of Montenegro
48	Ms Ana Mugosa, University of Montenegro, Faculty of Economics
49	Mr Vojin Golubovic, University of Donja Gorica
50	Ms Ljubica Vulevic, Institute for Hydrometeorology and Seismology of Montenegro
	Representatives of the Media
51	Ms Jadranka Rabrenovic, POBJEDA
52	Mr Goran Kapor, VIJESTI
53	Ms Andrea Djuranovic, DAN
54	Ms Danica Jankovic, DNEVNE NOVINE
	Participants from ONAs
55	Ms Milica Kilibarda, Central Bank of Montenegro
56	Ms Aleksandra Nikcevic, Central Bank of Montenegro
57	Ms Mira Radunovic, Central Bank of Montenegro
58	Ms Darja Milic, Central Bank of Montenegro

59	Mr Boris Kilibarda, Central Bank of Montenegro
60	Ms Branka Zizic, Ministry of science
61	Mr Marko Kaludjerovic, Ministry of science
	Participant from provider of administrative data
62	Ms Dragana Boskovic, Ministry of interior
63	Ms Marina Matijevic, Ministry of education
64	Ms Jelena Konatar, Ministry of education
65	Ms Natasa Terzic, Institute for public health
66	Ms Mirjana Nedovic Vukovic, Institute for public health
67	Ms Marija Palibrk, Institute for public health
68	Mr Milan Martinovic, Custom administration
69	Ms Vanja Sestovic, Department of Public Revenues
70	Ms Radmila Radunovic, Department of Public Revenues
71	Mr Aleksandar Djurickovic, Capital Market Authority
72	Mr Danilo Gluscevic, Capital Market Authority
73	Ms Ranislavka Andric, Health insurance fund of Montenegro
74	Ms Sanja Bogdanovic, Health insurance fund of Montenegro
75	Ms Dejana Brkovic, Health insurance fund of Montenegro
76	Ms Stanimirka Mijovic, Pension and Disability Insurance Fund of Montenegro
77	Ms Sanja Vucetic, Pension and Disability Insurance Fund of Montenegro
	Meeting with the international organizations
78	Ms Ana Dautovic, UNICEF
79	Mr Tomica Paovic, UNDP
80	Mr Miodrag Dragisic, UNDP
81	Ms Nina Krgovic, ILO
82	Mr Milan Lakicevic, WORLD BANK
83	Ms Tjasa Zivko, EU DELEGATION