

Quality declaration PRODUCER PRICE INDICES FOR INDUSTRIAL PRODUCTS

0.General Information on Statistical Products		
0.1	Title	Producers Price Indices for Industrial Products
0.2	Subject Area	Producer prices
0.3	Responsible Authority, Office, Person, etc.	Ms. Mariam Yeritsyan Head Price Statistics and International Comparisons Division Armstat 3 Government House, Republic Avenue Yerevan, 0010, Armenia Phone: +374 11 564 566 E-mail: price@armstat.am , info@armstat.am
0.4	Purpose and History	The main reason is to provide updated information on producers' price indices for industrial product (PPI) i.e. on the output prices of the producers of industrial products in the compared periods (without VAT and excise taxes). The calculation of indicator has been carried out since 1988.
0.5	Users and Application	The main users of statistical information are the state government and local self-government bodies, public, scientific-educational, financial organizations, business society, mass media, Central Bank, international organizations, etc. The indicator of producers' price index of industrial product is applied in national accounts as a deflator, as well as for the calculation of physical volume of industrial products in constant prices.
0.6	Information Sources	The main source of information is monthly data collected from legal persons and individual entrepreneurs through statistical reports.
0.7	Legal Authority to Collect Data	The data are collected based on the Law on "Official Statistics" and "Five Year Statistical Program", as well as the Resolution No. 05-N of RA State Council on Statistics "On Approval of the Procedure for the collection of statistical data" dated 20 June 2016 and Resolution "On Approval of Annual Statistical Program".
0.8	Response Burden	Response burden is not measured.
Content		
1.1	Description of the Content	The price index presents the change in prices for output of industrial production and reflects the net change in prices of produced products-representatives chosen through the sample of enterprises with the definite characteristics which are not changed during the fixed period. Time series comparisons of price indices of producers of industrial products are calculated as follows:

		<ul style="list-style-type: none"> • the reference month (quarter) in comparison with previous month (quarter), • the reference month (quarter) in compared with the relevant month (quarter) of the previous year, • the reference month in comparison with December of the previous year, • in cumulative order compared with the relevant period of the previous year, • the reference month (quarter) in compared with previous year, • the reference month in comparison with the base year,
1.2	Statistical Concepts	<p>Population</p> <p>Industrial enterprises carrying out their activity in the territory of RA, are selected for the calculation of PPI. The sample of base organizations which characterizes and expresses the integrity and peculiarities of industrial spheres of the given territory is implemented by the Statistical Committee of RA (hereinafter Armstat).</p> <p>Branch coverage</p> <p>More specific organizations implementing economic activities in accordance with The Classification of Types of Economic Activity (hereinafter NACE) are selected for survey such as: Mining and quarrying (Section B), Manufacturing (section C), Electricity, Gas, Steam and Air conditioning Supply (Section D), Water Supply, Sewerage, Waste Management and Remediation activities (Section E).</p> <p>05, 06, 19, 29, 39 sections of NACE are not included in the calculation of PPI, because of the lack of production of those activities or product types.</p> <p>Geographical coverage</p> <p>It covers the whole territory of the Republic of Armenia.</p> <p>Product coverage</p> <p>For the price observations of the products produced by the organizations, the types of products are selected on the basis of the following principles:</p> <p>-production of the products should be anticipated for long-term period,</p>

		<p>-product type should be representative in the total volume of production of the given organization. The sum of the production volumes calculated based on the indicators, such as price and quantity of the representative products (or selected) presented by the organization should form at least 60% of the total volume of the product produced by that organization.</p> <p>Variables</p> <p><u>Price.</u> The basis for the reporting is information on prices of actual sale by the producer anticipated by contracts on product or product delivery during the reference period without VAT and excise tax.</p> <p><u>Indices:</u> Indicators expressing the net price change in the time or territory.</p> <p><u>Sources of weights:</u> the sources for weights for the aggregation of indices are the data on total volume of industrial product value received from surveys of subject matter statistics.</p> <p>Statistical standards</p> <p>The lowest level of indices per 549 products price indices is calculated as the ratio of average geometrical values of prices of 2490 products-representatives. The 549 elementary indices are aggregated by weighing according to NACE revisions. RA PPI is calculated by modified Laspeyres formula in constant weights.</p> <p>Groupings</p> <p>Producers' price indices for industrial products are published according to sections B, C, D, E of NACE and total for RA.</p>
2.Time		
2.2	Date of Publication	Summary monthly data is published on the 25 th day following the reference period, and extensive data is published on the 35/36 th day following the reference period.
2.3	Punctuality	The statistical data is published without any delays as a rule, according to the schedule previously defined.
2.4	Frequency	Monthly
3.Accuracy		
3.1	Overall Accuracy	Information on prices is collected through sample from 506 base organizations, for 2490 products-representatives, from which 549 elementary indices are calculated by Classification of Industrial

		Products by Types of Activity (9-digit level). Then the elementary indices are aggregated according to NACE, to class-level through about 140 sub-indices.
3.2	Sources of Inaccuracy	A source of inaccuracy may be as follows: <ul style="list-style-type: none"> • inaccuracy of sample of the representative-product, since it is carried out by the base organization, • qualitative change of the representative – product, • incorrect information submitted by the organization, • data entry process,
3.3	Measures on accuracy	No measurement of accuracy is implemented.
4. Comparability		
4.1	Comparability over Time	The calculation of the indicators had been maintained since 1988. Throughout years, the methodology of PPI calculation and classifications were improved. Before 2009, the indicator was represented in accordance with the structure of All Union Classification of Branches of National Economy (AUCOBONE) using the Fisher formula for calculating the index. During 2009-2010, NACE Rev.1.1 and Classification of Products by Activity were used. From 2011 to present NACE rev. 2 and Classification of Industrial Products by Activity 2008 have been applied.
4.2	Comparability with other Statistics	Only one producer price index is calculated in the Republic of Armenia, therefore it is not comparable with other price indices.
4.3	Coherence between Provisional and Final Statistics	The published data is considered as final. They may be recalculated only in case of change (updating) the weights or based on adjustments submitted by the economic entities.
5. Accessibility		
5.1	Forms of Dissemination	<p>Publications</p> <p>Press release “Main preliminary macro-economic indicators characterizing current-operative summary socio-economic situation of RA” (electronic), (Armenian, Russian, English).</p> <p>Monthly, quarterly publications “Socio-Economic situation of the Republic of Armenia” information report (Armenian and Russian).</p> <p>Annual publications «Prices and Price indexes in RA» statistical handbook (Armenian, English) “The Statistical Yearbook of Armenia” statistical handbook (Armenian, English, and Russian). “Armenia in Figures” Statistics summary (Armenian, English)</p>

		<p>Website</p> <p>Electronic versions of publications are available in Armenian (full), Russian, and English at the following address: https://www.armstat.am/en/?nid=82.</p> <p>Monthly and historical data are available in Armenian, English at: https://armstatbank.am/pxweb/en/ArmStatBank/?rxid=602c2fcf-531f-4ed9-b9ad-42a1c546a1b6.602c2fcf-531f-4ed9-b9ad-42a1c546a1b6:</p>
5.2	Basic Material: Storage and Usability	<p>The statistical reports collected from respondents are kept both in a paper form as well as electronically. Electronic information includes:</p> <p>For legal person:</p> <ol style="list-style-type: none"> identification number (code) of the legal person tax registration number of Tax payer (TAX ID) registration number in the State Register full name of the legal person address of the legal person (postal address), e-mail address, Tel. number main type of activity name of the produced product, characteristics, measure unit, type of realization, in-kind amount of one unit, price (without VAT and excise Tax) <p>For individual entrepreneur:</p> <ol style="list-style-type: none"> name, last name tax registration number of Tax payer (TAX ID) registration number in the State Register residential address state registration address (if different from residential address), e- mail address, Tel. number main type of activity name of the produced product, characteristics, measure unit, type of realization, in-kind amount of one unit, price (without VAT and excise Tax)
5.3	Documentation	<p>Methodological clarifications are available in the official website of “Special Data Dissemination standard” of IMF https://www.armstat.am/en/?nid=386, in Statistical Yearbook of Armenia and in quarterly publications of information reports of “Socio-economic situation of the Republic of Armenia”.</p> <p>Full version in electronic format at official Armstat website https://www.armstat.am/file/doc/99511063.pdf.</p>
5.4	Other Information	<p>Information is available under the General Statistical Business-Process Model at: https://www.armstat.am/file/model/en/6.1.pdf.</p>

6. Supplementary Documentation		
		No supplementary documentation is available.