Industrial production statistics – PRODMOLD

Metadata

National Bureau of Statistics of the Republic of Moldova (NBS)

1. Contact Information

1.1. Responsible subdivision within NBS Industry and Energy Statistics Division

1.2. Contact person

Galina Ermurachi, Head of Division

Tel.: (+373) 67 770 045

(+373) 22 403 056

e-mail: galina.ermurachi@statistica.gov.md

2. Metadata Update

2.1. Last certification of metadata

26.02.2024

2.2. Last update of metadata

22.01.2021

3. Statistical Presentation

3.1. General description

Industrial production statistics covers short-term and annual indicators on industrial production in value and physical expression, as well as their evolution.

Industrial activities are represented in Section B "Mining and quarrying", Section C "Processing Industry" and Section D "Production and supply of electricity, heat, steam, hot water and air conditioning", E "Water supply; sewerage, waste management and remediation activities" of the Classifier of Activities in Moldova Economy (CAEM-2 - Clasificatorul Activităților Economice a Moldovei in Romanian) harmonized to the European standard NACE Rev. 2.

The statistical data on industrial production are developed based on statistical surveys of enterprises dealing with industry, as their main activity, covering all enterprises, which carry out industrial activities, including secondary activities.

3.2. Concepts and definitions

3.2.1. Definitions

Industrial production represents:

- direct and useful result of extracting raw material and material existing in nature;
- result of agricultural and forestry products' primary processing;
- result of previously processing of industrial products;
- activities for restoring initial technical and qualitative parameters of industrial products (such as: repairing works, maintenance works, etc.).

Industrial production is composed of *end products, semi-finished products, and works (services)* of industrial nature meant for investments, population consumption, export, productive internal consumption, and other needs of national economy, identified via a code of the PRODMOLD-2022 nomenclature.

End products are considered to be the products which were processed within the enterprise (have passed the whole technological process) and meet the technical standards and conditions set in the contract. In the framework of industrial statistics, products are expressed in quantities and values.

End products may be also manufactured in undertaking, meaning by several executors. Especially, when an enterprise (client) orders production and offers free-of-charge materials to another enterprise, which carries out virtually the production process, and subsequently the later one returns the end product to the client.

To avoid double reporting, the enterprise which virtually carried out the production process and obtained the end product reports the indicator regarding the physical production volume of the respective product (piece, t, m, etc.) and the value of the production process (costs incurred by the producer) in current prices, meaning without the value of client's materials which were offered free of charge.

In this case, the client who orders the production reports only the value indicator **"Sale revenues"** (**turnover**), which will include all the costs afferent to manufacturing the product (integral price), including the cost of raw material, the cost of processing service (for manufacturing the product), which was ordered and paid to the producer, other costs.

Works (services) of industrial nature represent the works performed by the economic units within some cooperation actions, which do not provide for some essential form transformation of the product subject to processing. Only the works which are executed for third parties or those executed for non-industrial sectors of the enterprises are reported.

Industrial works are grouped mainly in:

- industrial works (services) performed over some products (offered to the executor free of charge), which do not modify the form of the product, representing a part (operation) from the technological processes (for instance, painting, gilding, etc.);
- maintenance and repairing works which aim to restore the technical and qualitative parameters of machines and devices.

The following activities similar to industrial processes **are not covered in the industrial production**, but are included in other activity sectors:

- assembling the built-ups on the site, of the component parts for bridges and water reservoirs, building spaces for storing metal elements, railroads and signaling installation, district heating installations and networks, electrical networks, as well as mining works for quarries' exploitation, these are included in section F "Constructions";
- repairing and maintenance of office machines, computers these are included in class 9511 "Repair of computers and peripheral equipment";
- repairing domestic appliances and motor vehicles these are included in activity 952 "Repair of personal and household goods", as well as in group 452 "Maintenance and repairing motor vehicles" or in class 4540 "Sale, maintenance and repair of motorcycles and related parts and accessories";
- vulcanization of tires is included in activity 4520 "Maintenance and repairing of motor vehicles", excluding the repairing the motor vehicles carried out within specialized (industrial) enterprises, and respectively in activity 4540 "Sale, maintenance and repair of motorcycles and related parts and accessories";
- bottling and labeling beverages are included in class 4634 "Wholesale of beverages" if executed as parts of the retail sale-purchasing or in class 8292 "Packing activities" if executed for fees or on contract basis by a specialized enterprise in the given area.

The following is not included in the industrial production value:

- cost of industrial items and works which do not meet technical standards, conditions, and documentation;
- cost of materials, semi-finished products, and items purchased and resold without being processed by the respective enterprise;
- cost of industrial waste, which represents leavings of initial raw material (parts, chips, etc.) as well as pieces of cloth, etc. If before delivery, the waste is washed, sorted, and packed, the production value includes only the costs of preparing the items for selling, which are performed with own forces;

- cost of own manufactured production, which was subject to lab analyses or sampling surveys, if the production became unusable as a result of such activities.

3.2.2. Unit of measurement

Value indicators regarding the manufactured production, delivered (sold) production, sale revenues, and other are expressed in *thousand lei*.

Production manufactured by types of products in physical units is expressed for every product in its unit of measurement, in line with the Nomenclature of Industrial Products and Services PRODMOLD-2022.

3.2.3. Formula of calculation

Indicators of the value of the manufactured industrial production, the value of the delivered industrial production and the value of the business turnover in industry are obtained by summing the values obtained from each economic agent.

The value of manufactured industrial production is calculated by summing the total values of finished products executed during the reporting period. At the same time, including the full value of industrial production made from both its own raw material and the raw material of the customer.

$$VPF_i = \sum_{n=1}^{m} (VPF_1 + VPF_2)$$
, where

VPF = the total value of the manufactured industrial production;

 VPF_1 = the value of the production made from its own raw material;

 VPF_2 = the value of the production made from the customer's raw material;

m= the number of enterprises producing this product i;

i= product types according to the PRODMOLD nomenclature;

n= industrial producing enterprises.

The value of the delivered industrial production is the value of the finished products delivered on the domestic market and on the extern market.

$$VPL_i = \sum_{n=1}^{m} (VPL_{intern} + VPL_{extern})_n$$
, where

VPL= the total value of the delivered production;

*VPL*_{intern}= the value delivered on the domestic market;

VPL_{extern}= production value delivered on the extern market

- m= the number of enterprises whose production has been delivered;
- *i*= product types according to the PRODMOLD nomenclature;

n= industrial enterprises whose production is delivered.

The value of the turnover in industry is the sum of the revenues obtained from the sale of products, goods, services and execution of works, both from the main activity and from the secondary activities, performed by the enterprise during the reference period, both on the domestic market and on the extern market.

$$VCA_i = \sum_{n=1}^{m} (VCA_{intern} + VCA_{extern})_n$$
, where

VCA= the total value of the turnover in the industry;

*VCA*_{intern} = the value of turnover on the intern market;

VPL_{extern}= the value of turnover on the extern market;

m= the number of enterprises that showed turnover;

- i= types of activities according to the CAEM-2;
- n= industrial enterprises that showed turnover.

3.3. Used classifications

Economic activity: the survey results are classified in line with the Classifier of Activities in Moldova Economy (CAEM-2 - *Clasificarea Activităților Economiei Moldovei in Romanian*), harmonized with NACE rev.2, approved via Order of the NBS no. 28 dated 07.05.2019.

Classification of products: the data are collected and presented in line with:

- Statistical Classification of Moldova Products and Services (CSPM rev.2.1), harmonized with the EU CPA Classification, approved by the NBS Order no.09 dated from 30.01.2024;

- Nomenclature of Industrial Products and Services (PRODMOLD, 2022 list), harmonized with the European standard PRODCOM-2022, approved by the NBS Order no.72 dated from 25.09.2023.

Administrative-territorial units: The data are grouped according to the Nomenclature of Territorial Units of Statistics (NUTS) of the Republic of Moldova, approved by the Government Decision of the Republic of Moldova No.570 of 19 July 2017.

3.4. Scope

3.4.1. Sector coverage

Statistical surveys on industrial production cover the activities enlisted in section B - Mining and quarrying, C - Manufacturing, D - Production and supply of electric and thermal energy, gas, hot water and air conditioning, E- Water distribution; sewerage, waste management and remediation activities of CAEM-2.

3.4.2. Statistical population

Statistical surveys cover enterprises with their main activity in industry and secondary industrial units of the non-industrial enterprises.

3.4.3. Geographical coverage

The information is developed and disseminated without the data of the enterprises and organizations from the left part of the River Nistru and Bender municipality.

3.4.4. Time coverage

Time series for the main indicators are available in publications since 1970. Starting with 2004, on the NBS web page, data on industry statistics are available according to CAEM, rev.1, and industrial product statistics are in accordance with the PRODMOLD Nomenclature (2000 list).

Starting with 2014, the time series are available on the NBS website according to CAEM-2, and industrial product statistics are in accordance with the PRODMOLD Nomenclature (list 2013).

Starting with 2024, the time series are available on the NBS website according to CAEM-2, and industrial product statistics are in accordance with the PRODMOLD Nomenclature (list 2022).

3.5. Level of disaggregation

The data are available by:

- activities at the level of CAEM-2, group, division, and section,

- in territorial profile: by development regions, mun. Chisinau, TAU Gagauzia following the requirements set for confidentiality of disseminated data.

3.6. Periodicity of dissemination

Annually

3.7. Deadlines for presentation (dissemination)

Data are disseminated in July after reporting year.

3.8. Revision

Data on industrial production statistics are not reviewed.

3.9. Period of reference

Reference period: reference year.

4. Data Collecting and Processing

4.1. Data source

4.1.1. Statistical surveys

The annual statistical survey is conducted under on the PRODMOLD-A Annual Statistical Survey of Industrial Production.

4.1.2. Administrative sources

Not used.

4.1.3. Estimations

Are not performed.

4.2. Characteristics of the statistical survey

4.2.1. Objective and background

Starting with 1994, the development of the indicators for industry statistics was performed in compliance with the Classification of Activities in Moldova Economy (CAEM) – version 1, harmonized with UN ISIC classification. In 2001, the version of CAEM harmonized with the EU NACE classification was implemented, and between 2005 and 2014 the CAEM version rev. 1.1 was used.

Beginning with 2014 it is used CAEM rev.2 harmonized with NACE rev.2, approved via NBS Collegium Decision no. 20 dated 29.12.2009

Starting with 2004, the Nomenclature of Industrial Products and Services PRODMOLD was implemented, harmonized with the European standard PRODCOM.

Beginning with 2014 the Nomenclature of Industrial Products and Services PRODMOLD-2013 is implemented, harmonized to PRODCOM, 2013 list.

Starting with 2024, the Nomenclature of Industrial Products and Services PRODMOLD-2022 is implemented, harmonized to PRODCOM, 2022 list.

4.2.2. Statistical unit

The statistical unit in annual statistical surveys is the kind of industrial activity (main and secondary).

4.2.3. Circle of units covered in the survey

The information in points 3.1 and 4.1.1 is relevant, and in particular it covers more than 3900 enterprises with main industry activity and over 1300 secondary industrial units of non-industrial enterprises.

4.2.4. Survey periodicity

Annually

4.2.5. Data collecting

The method of completing statistical surveys (forms) is online through the <u>https://raportare.gov.md/</u> application.

At the same time, the economic agent maintains the self-registration method. The completed statistical report shall be submitted by the enterprise to the territorial statistical office **by 1 March each year**.

4.3. Processing and compilation of data

4.3.1. Validation of data

Data are verified and analyzed from their quality point of view, especially in relation to their internal coherence, temporal coherence, as well as coherence with other data, at the first stage within the territorial statistical body, and afterwards at the central level by the NBS.

The control methods allow verifying:

- integrity of the data filled in the report;
- compliance of the identification data;
- compliance with the logical data correlation conditions.

Controls are based on visual methods, as well as automated ones, by using soft applications.

4.3.2. Compilation/extrapolation of data

Indicators are not compiled

4.3.3. Adjustments

Not applicable.

4.3.4. Quality assurance

The quality of statistical data is assured by observing the Fundamental Principles of Official Statistics adopted by the UN General Assembly on 29 January 2014, as well as those set forth in the national Law on Official Statistics no. 93 of 26 May 2017.

In its activity of producing statistical information, NBS pays huge importance to ensuring high quality of data.

In this respect, a number of measures for quality assurance are carried out at every stage of the statistical process: organization of statistical surveys, collection, processing, and development of statistical information.

Important efforts are undertaken to ensure the plenitude and quality of data presentation by the respondents included in the statistical surveys.

Errors, inconsistencies, and suspicious data are brought to light so as to be verified and corrected.

The primary data are verified and analyzed from internal coherence point of view (within the questionnaire), temporal coherence (with data from previous periods), with data of other similar units, as well as with data available from other statistical surveys and administrative data sources. The missing or inconsistent data are imputed, if needed.

To ensure the quality of the primary data, meetings (seminars) are organized with interviewers – respondents for explaining the definitions, the correct way to fill in the questionnaires, especially when they are modified or implemented. At the same time, the NBS web page contains updated information related to metadata of reference, statistical surveys forms and questionnaires, and methodological notes for concluding them, etc.

4.4. Data accuracy

4.4.1. Non-response rate

Usually, the non-response rate is insignificant and does not influence the results of the survey as a whole.

4.4.2. Sampling errors

Not applicable.

5. Comparability and Coherence

5.1. International comparability

International comparability is ensured, first of all, by using central classifiers harmonized with the respective UN and EU standards. The way for calculating the statistical indicators corresponds to the "International Recommendations on Industry Statistics, 2008" and "International Recommendations on Industrial production Index 2010", edited by the UN Statistical Section and the "Short-Term Statistics Methodology, Eurostat 1998" Manual.

5.2. Comparability over the time

Comparability over the time of the main indictors is generally ensured.

5.3. Coherence with other statistics

Coherence with other statistics is ensured by using the same classified, but also of common definitions and notions in the calculation methodology of the economic and statistical indicators.

6. Institutional Mandate (normative-legal basis)

The NBS activity is based on respecting the Republic of Moldova Constitution, the Law on Official Statistics No. 93 dated 26.05.2017, other legislative and normative acts, NBS management decisions and orders.

The Law on Official Statistics regulates the organization and operation of the unique system of official statistics, establishing the general principles for collecting, processing, centralizing, diminishing, and stocking statistical information (art.1).

Art. 5 of the Law provides that the production of statistical information is based on respecting the following principles: impartiality, objectiveness, relevance, transparency, confidentiality, cost-efficiency etc.

Being the central statistical body, the National Bureau of Statistics is an administrative authority created under the Government for leading and coordinating the activity in the statistics area.

In accordance with Government Decision 935 of 24.09.2018 on the organization and operation of the NBS, the Bureau exercises the following tasks:

1) Coordinates the national statistical system on the development and production of official statistics;

2) Elaborates and implements strategies for the development of the national statistical system, annual and multiannual statistical programs;

3) Elaborates the normative and institutional framework necessary for the achievement of the strategic objectives in its field of activity, as well as the mechanisms for their implementation in practice;

4) Performs the management and control of the achievement in quality conditions of the programs and statistical plans adopted at central and regional level;

5) Harmonizes and aligns national statistical indicators, methodologies, methods and techniques with international regulations and standards;

6) Promotes the statistical culture in the society.

The legislative and normative acts ruling the activity of the NBS are available on its official page <u>https://statistica.gov.md/</u>, under *About NBS / Normative acts* (<u>https://statistica.gov.md/en/normative-acts-56.html</u>).

7. Confidentiality

7.1. Principles

According to art. 19 of the Law on Official Statistics No. 93 dated 26.05.2017, producers of official statistics shall take all regulatory, administrative, technical and organizational measures to protect confidential data and prevent their disclosure.

Chapter VII of the above-mentioned law stipulates that the data collected, processed and stored for the production of statistical information are confidential if they allow the direct or indirect identification of the respondents. The following shall not be considered confidential:

a) data that can be obtained from publicly accessible sources according to the legislation;

b) individual data on address, telephone, name, type of activity, number of employees of legal entities and individual entrepreneurs;

c) data referring to public enterprises, institutions and organizations funded from the budget, submitted at the request of the public administration authorities.

According to the Law on Official Statistics, art. 20, access to confidential information is granted to the persons who, according to their official functions, participate in the production of statistical information shall have access to individual data in so far as individual data are necessary for producing this information.

The same article stipulates that the access to individual data, which do not allow the direct identification of respondents, may be given for scientific survey projects, whose expected results do not refer to identifiable individual units, under the regulation approved by the central statistical authority.

Art. 23 (5) of the Law stipulates that the the statistical information cannot be disseminated to users if it refers to 1-3 statistical units.

7.2. Practical assurance of the confidentiality rules

To ensure the protection of confidential statistical data in compliance with the Law on Official Statistics

No. 93 dated 26.05.2017, the National Bureau of Statistics undertakes all the regulatory, administrative, technical, and organizational measures to protect the confidential statistical information and prevent its disclosure.

In compliance with the above-mentioned law, the employees of producers of official statistics, including temporary employees who, according to their official functions, have direct access to individual data shall be obliged to observe the confidentiality of these data during and after termination of employment.

Before being disseminated, the statistical data are verified if they meet the protection requirements set for confidential data. If the statistical data contain confidential information (see p. 7.1), they are not disseminated, but aggregated at the minimum available level which ensures the protection of data confidentiality.

8. Access to Information and Dissemination Format

8.1. Access to information

8.1.1. Calendar of statistical publications

Annually the Advance release calendar is developed by NBS.

8.1.2. Access to the calendar of statistical publications

The press release calendar is posted on the NBS official page <u>https://statistica.gov.md/</u>.

8.1.3. Access to statistical data

According to the Law on Official Statistics No. 93 dated 26.05.2017, art. 23:

- a) Producers of official statistics shall be obliged to disseminate the statistical information within the deadlines specified in the programme of statistical works and in the press-release calendar.
- b) The dissemination of statistical information laid down in the programme of statistical works to all categories of users shall be made free of charge and under equal access conditions in terms of volume, quality and time of dissemination

The program of statistical work may be accessed on the web page <u>https://statistica.gov.md/</u>, under *About NBS / Normative acts* (<u>https://statistica.gov.md/en/normative-acts-56.html</u>).

The NBS web page <u>https://statistica.gov.md/</u> represents the most important information source for ensuring users' access to different statistical information and transparency about the NBS activity.

All the operative information, informative notes, time series, as well as the statistical publications developed by NBS are placed on its official web page.

8.2. Dissemination format

8.2.1. Operative information / Analytical notes

The operative information and analytical notes are published on the official page of NBS: <u>https://statistica.gov.md/</u> under Press Releases, according to the Press Release Calendar.

8.2.2. Publications

Publications developed by NBS covering statistical data on industry:

- Statistical Yearbook,
- Territorial statistics
- Moldova in figures, statistical pocket-book,

Access to publications:

- in electronic format, on NBS official page <u>https://statistica.gov.md/</u>, under *Products and services/ Publications* (<u>https://statistica.gov.md/en/publications</u>)
- or may be bought from NBS office (more details on <u>https://statistica.gov.md/</u>, under Publications (<u>https://statistica.gov.md/en/purchase-of-statistical-publications-63_3703.html</u>).

8.2.3. Database/time series

- Statistical databank <u>http://statbank.statistica.md</u>, under Economic statistics / Industry
- NBS official page: <u>https://statistica.gov.md/</u> under <u>Statistics by themes / Economy and business /</u>

Industry;

- Special Data Dissemination Standard (SDDS): <u>http://www.statistica.gov.md/SDDS/NSDP/</u>

8.2.4. Questionnaires/data sent upon request from international organizations

UN, EEC, Eurostat, CIS, etc. international questionnaire.

8.2.5. Request for additional data

NBS makes available for users' additional statistical information beyond the data presented in the statistical publications, informative notes, operative information, as well as the data placed on the official web page in the limits of available information, in line with the Law on Official Statistics. Request can be sent personally, by post, by e-mail <u>moldstat@statistica.gov.md</u> or via online web form – <u>https://statistica.gov.md/</u> heading *Products and services / Statistical data request* <u>https://statistica.gov.md/en/statistical-data-request-9998.html</u>

9. Useful References (links)

9.1. Accessibility of documentation on methodology

The methodology is available on the official page <u>https://statistica.gov.md/</u>, under Metadata (<u>https://statistica.gov.md/en/metadata-64.html</u>).

9.2. Accessibility of documentation on Evaluation Reports

The NBS assessment reports are available on the official page <u>https://statistica.gov.md/</u>, under *About NBS / External assessments and user surveys / Assessment reports* (<u>https://statistica.gov.md/en/assessment-reports-9930.html</u>).

9.3. Accessibility of information on user surveys

User surveys are available on the official page <u>https://statistica.gov.md/</u>, under *About NBS / External assessments and user surveys / User surveys* (<u>https://statistica.gov.md/en/external-assessments-and-user-surveys-73.html</u>).

9.4. Other useful references	
IMF Special Data Dissemination Standard (SDDS)	https://statistica.gov.md/en/overview-9865.html
EUROSTAT database	http://ec.europa.eu/eurostat/data/database
UNData database	https://data.un.org/default.aspx
United Nations Economic Commission for Europe statistical database	http://w3.unece.org/pxweb/Dialog/