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საქართველოსთვის
The European Union for Georgia



Twinning Project

Contract: GE 16 ENI ST 06 18

Strengthening the Capacity of the Georgian Statistical System

Component 4: “Strengthening Social Statistics”

Sub-component 4.3: “Tourism Satellite Accounts (TSA)”

MISSION REPORT

Activity: 4.3.D (RS) “Preparation of dissemination and preparation of future work”

Mission carried out by
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January 21st – February 5th 2021

Version: Final



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1. General comments

The following mission report has been prepared within the EU Twinning Project "Strengthening the Capacity of Georgian Statistical System". This fourth mission within the sub-component 4.3: "Tourism Satellite Accounts (TSA)" was mainly focused on the finalization of the TSA compilation process, the preparation of first four TSA tables for dissemination and the methodological aspects (metadata) in accordance with international standards.

Due to safety and health COVID-19 restrictions, Activity 4.3.D was conducted by a "Remote Session" concept, which substituted for the personal expert mission in Georgia. The Remote Session consisted of four online meetings (by Zoom) + one De-briefing session for the Geostat management:

1. Meeting: Thursday 21st of January 12 am - 3 pm (Georgian time)
2. Meeting: Tuesday 26th of January, 12 am - 3 pm (Georgian time)
3. Meeting: Thursday 28th of January, 12 am - 3 pm (Georgian time)
4. Meeting: Thursday 4th of February, 12 am - 3 pm (Georgian time)
5. De-briefing: Friday 5th of February, 12 am - 1 pm (Georgian time)

The purpose of the mission was to present, discuss and work on below mentioned subjects:

- Templates and the final structure for the TSA tables 1 to 4
- Calculations for the TSA tables 1 to 4
- Methodology and the concept of the TSA tables 1 to 4
- Main results (outputs) of the TSA tables 1 to 4
- Dissemination of the TSA tables
- Proposal of the content/text of the methodological and metadata document
- Further steps for the future development of the TSA

The consultants would like to express their gratitude to all persons who helped with organization of remote session. They thank for the kind support and valuable information, which they received during the meetings.

The views and observations stated in this report are those of the consultants and do not necessarily correspond to the views of the European Union, Geostat, Statistics Denmark, Czech Statistical Office or other statistical institutions involved in the implementation of the project.

2. Assessment and results

The mission was mainly focused on the TSA compilation process, the discussion on the improvements and proper application of data sources and the methodological aspects of the TSA in accordance with international standards. All provided recommendations and best practices were in line with the EU regulations and the international standards.

The main discussed areas were as follows:

- Review of tasks agreed during Activity 4.3.C – November 2020
- Last recommendations for improvements of TSA demand side tables
- Detecting weak points in estimation process and finding ways for improvement
- Finalization of the first estimates of tourism expenditure/consumption for the TSA tables T1 to T4



- Summarization of the results of the TSA demand side (year 2019)
- Preparation of the TSA tables T1 to T4 for dissemination (Georgian/English)
- Metadata/Methodological documents – Discussion on the draft version
- Discussion on further steps for the future development of the Georgian TSA
- Work plan and future cooperation within the sub-component 4.3

Following outcomes have been achieved:

- *Recommendations for improvements of TSA demand side tables*

Based on the discussion during previous meetings, final recommendations for improvements of TSA demand side tables have been proposed. It concerned the structure and proper breakdown of package tours and domestic part of outbound trips, which needs to be allocated in accordance with the correct final placement of the monetary transactions (can be different from physical flows of visitors). Therefore, the expenditures before and during the trip are recommended to be collected separately within the outbound and inbound tourism surveys.

Expenditure on transport has been treated too since it is an important area not only for tourism statistics but also for Balance of Payments statistics.

- *Templates for the TSA tables T1 to T4 in Georgian language*

Since the TSA data will serve to Georgian data users, the outputs (tables) of the TSA need to be in Georgian language. The first step in this regard has been taken by translating international templates of the TSA tables from English into Georgian language. During this task, proper and understandable terms of the TSA variables concerning the demand side were proposed.

- *Finalization of the first estimates of tourism expenditure/consumption for the TSA tables 1 to 4*

Substantial time has been devoted to the estimation of tourism expenditures within individual TSA tables: Table 1 - inbound tourism, Table 2 - domestic tourism and Table 3 - outbound tourism. Appropriate TSA variables and results of the tourism surveys for the reference year 2019 were used in this process.

Few variables were not able to be designed since underlying data are not available for now (e.g. expenses on petrol). They will be at the disposal when updated questionnaires with proposed changes will be deployed.

Experts together with Geostat colleagues prepared a model of data estimation for the "domestic part of outbound trips", which helps to separate transactions between TSA Table 2 and Table 3 in an appropriate way.



Picture 1 – A model for the estimation of "domestic part of outbound trips"

A	I	J	K	L	M	N	O	P
1								
2 Outbound tourism expenditure by products and classes of visitors								
3								
	Product	Estimation of not-included expenditure	All expenditure related to outbound tourism	Part of expenditure paid in Georgia (before trip)	Part of expenditure paid abroad (during trip)	Transfer of transactions paid in Georgia (share)	Part of expenditure allocated abroad	Part of expenditure allocated in Georgia
4		Share	10%	30%	70%	→ abroad		
5 A. Consumption products (*)								
6 A.1 Tourism characteristic products								
7 1 – Accommodation services for visitors	38 048 827	418 537 099	125 561 130	292 975 969	100%	418 537 099	0	
8 1.a – Accommodation services for visitors other than 1.b	38 048 827	418 537 099	125 561 130	292 975 969	100%	418 537 099	0	
9 1.b – Accommodation services associated with all types of								
10 2 – Food and beverage serving services	48 922 051	538 142 557	161 442 767	376 699 790	95%	530 070 419	8 072 138	
11 3 – Railway passenger transport services	139 755	1 537 305	461 191	1 076 113	50%	1 306 709	230 596	
12 4 – Road passenger transport services (**)	18 952 013	208 472 142	62 541 643	145 930 499	50%	177 201 321	31 270 821	
13 5 – Water passenger transport services	45 396	499 360	149 808	349 552	50%	424 456	74 904	
14 6 – Air passenger transport services	33 926 830	373 195 132	111 958 540	261 236 592	50%	317 215 862	55 979 270	
15 7 – Transport equipment rental services	1 043 704	11 480 741	3 444 222	8 036 518	75%	10 619 685	861 056	
16 8 – Travel agencies and other reservation services	25 239	277 633	83 290	194 343	0%	194 343	83 290	
17 9 – Cultural services	15 094 295	166 037 250	49 811 175	116 226 075	90%	161 056 132	4 981 117	
18 10 – Sports and recreational services (***)	95 707 058	1 052 777 639	315 833 292	736 944 348	15%	784 319 341	268 458 298	
19 A.2 Other Connected Products (****)	251 905 169	251 905 169	75 571 551	176 333 618	2400 945 368	370 011 490		
20 TOTAL								
21								
22								
23								

TSA Table T3 TSA Table T2

- Summarization of the results on the TSA demand side (year 2019)*

The main TSA results were summarized for reference year 2019 as a basis for the first estimates of the economic importance of tourism in the Georgian economy. All results are broken down by tourists (visitors with at least 1 overnight stay) and same-day visitors.

The TSA of Georgia is considered to be an “experimental system”, because the tourism satellite account has never been constructed in the country and it is open for broader peer reviewing, discussion from which changes may be proposed.

Picture 2 – Main TSA results for TSA Tables 1 to 4

DATA RESULTS – Year 2019

TSA Table	mil. GEL	Tourists	Same-day visitors
T1 – Inbound tourism expenditure	8 962	90 %	10 %
T2 - Domestic tourism expenditure	2 166	68 %	32 %
T3 - Outbound tourism expenditure	2 401	88 %	12 %
T4 - Internal tourism consumption	T1 (81 %)	+ T2 (19 %)	= 11 128 mil. GEL



- Preparation of the TSA tables T1 to T4 for dissemination (Georgian/English)***

The TSA tables T1 to T4 are prepared for dissemination soon. All tables are in Georgian + English version, which is highly important for reaching domestic and foreign users. The tables contain corresponding explanatory notes, too.

Picture 3 – Example of the table with results in Georgian language (TSA Table 1)

Product	Inbound tourism expenditure by products and classes of visitors of age 15 years or more		
	Inbound tourism expenditure, GEL		
	Tourists (overnight visitors) (1.1)	Excursionists (same-day visitors) (1.2)	Visitors (1.3) = (1.1) + (1.2)
A. Consumption products (*)			
A.1 Tourism characteristic products			
1 – Accommodation services for visitors	2 021 228 954	X	2 021 228 954
1.a – Accommodation services for visitors other than 1.b	2 021 228 954	X	2 021 228 954
1.b – Accommodation services associated with all types of vacation	-	X	-
2 – Food and beverage serving services	1 662 241 082	62 396 507	1 724 637 589
3 – Railway passenger transport services	2 329 723	157 462	2 487 185
4 – Road passenger transport services (**)	275 025 301	18 588 510	293 613 811
5 – Water passenger transport services	4 206 529	284 312	4 490 841
6 – Air passenger transport services	666 083 732	45 019 509	711 103 241
7 – Transport equipment rental services	60 373 909	4 080 574	64 454 483
8 – Travel agencies and other reservation services	21 245 302	4 274	21 249 575
9 – Cultural services			
10 – Sports and recreational services (***)	1 425 962 592	102 743 295	1 528 705 887
A.2 Other Connected Products (****)	1 942 634 798	647 994 841	2 590 629 639
TOTAL	8 081 331 920	881 269 284	8 962 601 204

X does not apply

(*) The value of A. Consumption products, is net of the gross service charges paid to travel agencies, tour operators and other reservation services.

(**) Road passenger transport services include expenditure on fuel for now. It will be separated in future after questionnaire is updated.

(***) Sports and recreational services include gambling.

(****) Consists of Country-specific tourism characteristic goods and services and other expenditure like shopping, food and drinks outside of restaurants and other tourism expenditure.

- Metadata/Methodological document – Discussion on the draft version***

Metadata documentation should provide important information about the TSA compilation process - it describes not only the sources and quality of the data but also (and primarily) which statistical processes and procedures were used to create the satellite account system.

This is of particular importance to the statistical community in order to both validate and subsequently improve the progress of statistical data production.

Therefore, the structure of this document has been proposed and discussed during the Activity 4.3.D (RS) as well.

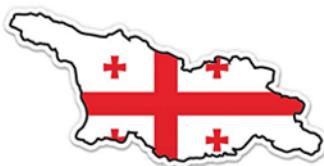


Picture 4 – Proposal of the Metadata / Methodological document on TSA



„Metadata / Methodological document on TSA“

System of methodology for the TSA system in Georgia



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3. Conclusions and follow up

During this mission, final changes and improvements have been proposed in the process of construction of first four TSA tables, which are fully in line with recommended European and international standards.

A close and fruitful cooperation between Geostat staff, Czech experts and the Georgian National Tourism Administration has ended with the fulfilment of the target on this project sub-component. It means that Geostat is now able to estimate four Tourism Satellite Account Tables, which means that in the future Geostat will be able to release information on how much tourism contributes to the economy.

Geostat representatives together with the experts agreed on following steps for the future development of the Georgian TSA:

- Harmonization of the TSA needs and the tourism surveys
- Updating and fine-tuning of the TSA tables T1 to T4
- Cooperation with all important GEOSTAT divisions + outside organizations
- Metadata/Methodological documents – Finalization and dissemination
- Preparation for the (future) compilation of the TSA tables T5 and T6

Experts conclude that the mission, which was held by remote session, was very productive and are satisfied that factual results and outcomes have been achieved. Involvement of an expert from Georgian National Tourism Administration is considered as very valuable and helpful.

Schedule and plans

- Work plan for the sub-component 4.3 has been from 80 % fulfilled (Activities 4.3.A – 4.3.D)
- Planned „Study visit“ in the Czech Republic will be confirmed later (according to the C-19 restrictions)



Plan of Sub-component 4.3 as of February 5th, 2021

Project Quarter	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10																	
Project Month	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28			
Calendar Month	2019M10	2019M11	2019M12	2020M01	2020M02	2020M03	2020M04	2020M05	2020M06	2020M07	2020M08	2020M09	2020M10	2020M11	2020M12	2021M01	2021M02	2021M03	2021M04	2021M05	2021M06	2021M07			
Kick off & Closure																						Closing Ceremony			
Steering Committee Meetings	SC7		SC8		SC9		SC10		SC11		SC12		SC13		SC14		SC15		SC16		SC17		SC18		
Project Activities																									
3: Development of Business Statistics																									
3.1 Short term business statistics indicators developed	3.1.1		3.1.2		3.1.3		3.1.4		3.1.5		3.1.6		3.1.7		3.1.8	3.1.C (RS)	3.1.D (RS2)	3.1.E	3.1.F	3.1.G					
3.2 Statistical business register (SBR) improved			3.2.1										3.2.2		3.2.3	3.2.D (RS)	3.2.E	3.2.F							
4: Strengthening Social Statistics																									
4.1 Improved Labour Force Methodologies and indicators													4.1.1		4.1.2	4.1.C (RS2)	4.1.D								
4.2 Household Income and Expenditure survey methodology and data collection tools Improved	4.2.1						4.2.2		4.2.3		4.2.4		4.2.5		4.2.6	4.2.C (RS)	4.2.D								
4.3 Tourism Satellite Accounts (TSA) developed	4.3.1												4.3.2		4.3.3	4.3.B (RS)	4.3.C (RS)	4.3.D (RS)	4.3.E	4.3.F	4.3.G	4.3.H	4.3.I	4.3.J	4.3.K

Actions needed for moving forward:

Action	Deadline	Responsible person
Preparation of the TSA tables T1 to T4 for dissemination	March 2020	GEOSTAT
Metadata/Methodological documents – Finalization of the draft version	March 2020	GEOSTAT



Annex 1. Terms of Reference

Terms of Reference

EU Twinning Project GE 16 ENI ST 06 18

January 21th – February 5th 2021

Component 4: Strengthening Social Statistics

Sub-component 4.3: Tourism Satellite Accounts (TSA)

Mandatory results and benchmarks for sub-component 4.3

- Strengthening Social Statistics

Indicators of Achievement (baseline and targets):

- Availability of Satellite Accounts tables
 - **Baseline:** 2019 – The Tourism Satellite Accounts (TSA) are not produced
 - **Target:** March 2021 – the first 4 TSA tables compiled as test calculations

Activity 4.3. D (RS): Preparation of dissemination and preparation of future work

1. Purpose of the activity

To present, discuss and work on the below mentioned subjects:

- Review of tasks agreed during Activity 4.3.C
- Preparation first four TSA tables for dissemination
- Evaluation and further work on metadata
- Consideration of Balance of Payments data
- Further steps for future development of TSA tables

2. Expected output of the activity

- Tables 1 to 4 are prepared (draft version)
- Metadata has been evaluated and ready for finalization
- Work plan on sub-component 4.3 updated
- Mission report written
- ToR for next mission (draft)



Annex 2. Persons met

Geostat

Mr. Gogita Todradze, Executive Director
Mr. David Kupatadze, Head of Business Statistics Department,
Mr. Badri Kvachadze, Head of Tourism Statistics Division,
Mr. Irakli Jimshitashvili, Chief Specialist of Tourism Statistics Division,
Mr. Mamuka Tsiskarauli, Senior Specialist of Tourism Statistics Division,
Ms. Ekaterine Nozadze, Senior Specialist of Tourism Statistics Division,
Mr. Pavle Maghradze, Specialist of Tourism Statistics Division,
Mr. Beka Shukakidze, Specialist of Tourism Statistics Division,
Ms. Gvantsa Gogoladze, Contracted Specialist at Tourism Statistics Division

Georgian National Tourism Administration

Mr. Giorgi Bregadze, Head of the Research and Planning Department

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