

# Twinning Project

Contract: GE 16 ENI ST 06 18

## Strengthening the Capacity of the Georgian Statistical System

### Component 1: Development of External Sector Statistics

#### Sub-component 1.2: “: Statistics on International Trade in Services (ITS)”

## MISSION REPORT

Activity: 1.2.D (RS): Pilot survey analyses and review of work done

Mission carried out by  
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January 14<sup>th</sup> – February 2<sup>nd</sup> 2021

Version: Final



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საქართველოსთვის  
The European Union for Georgia



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## 1. General comments

This mission report was prepared within the EU Twinning Project "Strengthening the Capacity of Georgian Statistical System". It describes the fourth mission of the sub-component 1.2: "Statistics on International Trade in Services (ITS)". The remote session was mainly devoted to an evaluation of the ITSS pilot survey carried out in the period since the last mission and to the compilation procedures for a number of specific service items.

In more detail, the purposes of the mission were to discuss and work on the below mentioned subjects:

- Analysis and assessment of pilot survey results. Identification of the challenges in survey. Reveal any inconsistencies or challenges and set a plan in order to reduce or eliminate negative aspects influencing final results.
- Analysis of pilot statistics and review of compilation methods behind it
- Compile a list of ideas for improving questionnaire design, to reduce respondent burden, to get better data
- Review of sampling and grossing up
- Review of imputation procedures
- Review of established IT solutions
- Development of validation rules
- Planning final survey with all changes and improvements in questionnaire and software application
- Drafting routine work description
- Review of final sampling and grossing up procedures

The consultants would like to express their gratitude to the Geostat staff who participated in the mission, for the kind support and valuable information received during the mission.

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, or other statistical institutions involved in the implementation of the project.

## 2. Assessment and results

The remote session was carried out in the period from January, 14th to February, 2nd 2021. Within this period four Zoom meetings were held, on which topics from the Terms of Reference were discussed. On each meeting experts and Geostat participants agreed on tasks to be performed and presentations to be prepared for the next meeting of the session. Conducting the mission remotely has been more difficult, less focused and more time consuming than if the mission was conducted with experts being present in Georgia. But nevertheless it was possible to achieve results, which partly fulfil the objectives within the mission. As such, it is the experts' perception that within the remote session, substantial steps were taken towards the final target of the sub-component. The experts also support the decision to add an extra mission 1.2.F to the component. Moreover, the experts are confident, that the missions planned for the future will allow the Twinning project to finalize the subcomponent 1.2 successfully.

## 3. Conclusions and follow up

- The pilot survey was carried out successfully. There is, however, some concern due to the large number of zero-reports. Geostat will investigate the reasons behind these zero-reports.
- The sampling and grossing up procedures for both pilot survey and regular survey are now final, as well as the procedures for updating the sample.
- Based on the pilot survey, some adjustments to the questionnaire and instructions for filling in the survey will be necessary. Geostat will make decisions regarding the exact adjustments and implement them.

- Compilation of transportation services have been discussed in detail. More validation of data from the pilot survey is necessary before final decision on the future compilation can be made.
- To avoid the risk of double counting when combining CIF-FOB corrections and ITSS survey data, the ITSS questionnaire will be amended so that reporters must indicate if goods are moved across Georgian border or not, when reporting freight transportation services.
- The compilation of insurance services has been discussed. Due to the fact that only few transactions were reported for this service item, the standard calculation of insurance services from the ITSS manual will be difficult and an alternative approach need to be found. DST will supply input for this via e-mail.
- Compilation on governmental services and cultural services also revealed difficulties which need to be solved.
- It was not possible to discuss data validation and routine work descriptions in detail during the missions. Therefore, these items in the work plan must be postponed for the next mission.

Actions needed for moving forward:

Action	Deadline	Responsible person
Geostat and National bank of Georgia will prepare fully compiled pilot statistics of ITS based on the pilot survey and send to DST at least two weeks before the next mission.	April 2021	Geostat/NBG
Geostat and National bank of Georgia will evaluate if railway transport needs to be added to the questionnaire.	April 2021	Geostat/NBG
Geostat and National bank of Georgia will evaluate if more travel categories need to be added to the questionnaire	April 2021	Geostat/NBG
Geostat will implement agreed changes to the ITSS questionnaire. Changes include the split of freight transport into goods which cross Georgian border and goods which do not cross Georgian border. Lease of transportations means with crew will also be added as separate category.	April 2021	Geostat
Geostat will recontact zero-reporters in order to understand more about the reasons for the large number of zeros in the pilot survey.	April 2021	Geostat
Geostat will finalize validation of the pilot survey. Among other things large export of technical services to Switzerland will be investigated. Special attention will also be paid to transportation services.	April 2021	Geostat
Geostat will update the document "Brief description of sampling procedures" to include full description of the procedures for updating the sample.	April 2021	Geostat
Geostat and National bank of Georgia will make decision regarding the	April 2021	Geostat/NBG



compilation of transportation services.		
Geostat will ask ministry of foreign affairs for data on Georgian embassies abroad.	April 2021	Geostat
Geostat will ask ministry of defence for data on peace keeping missions.	April 2021	Geostat
DST will investigate treatment of peace keeping missions in Denmark.	March 2021	DST
DST will send input on compilation of insurance services.	March 2021	DST
Geostat will investigate if artists unions or other organizations may help estimate private supply of cultural services.	April 2021	Geostat
Geostat will prepare full proposal for validation procedures for the final survey to be presented and discussed during the next mission.	April 2021	Geostat

## Annex 1. Terms of Reference

### EU Twinning Project GE 16 ENI ST 06 18

January 14<sup>th</sup> – 25<sup>th</sup> 2021

#### Component 1: Development of External Sector Statistics

##### Sub-component 1.2: Statistics on International Trade in Services (ITS)

##### Mandatory results and benchmarks for sub-component 1.2:

- Statistics on International Trade in Services (ITS) compiled

##### Indicators of Achievement (baseline and targets):

- Availability of International Trade in Services as a statistical product
  - Baseline:** 2019 – ITS is not produced by Geostat.
  - Target:** March 2021 – ITS available as a statistical product
- Number of staff capable of producing ITS
  - Baseline:** 2019 – 0
  - Target:** March 2021 – At least 3 staff members trained and capable of producing ITS

##### Activity 1.2.D (RS): Pilot survey analyses and review of work done

##### 1. Purpose of the activity

To discuss and work on the below mentioned subjects:

- Analysis and assessment of pilot survey results. Identification of the challenges in survey. Reveal any inconsistencies or challenges and set a plan in order to reduce or eliminate negative aspects influencing final results.
- Analysis of pilot statistics and review of compilation methods behind it
- Compile a list of ideas for improving questionnaire design, to reduce respondent burden, to get better data
- Review of sampling and grossing up
- Review of imputation procedures
- Review of established IT solutions
- Development of validation rules
- Planning final survey with all changes and improvements in questionnaire and software application
- Drafting routine work description Review of final sampling and grossing up procedures

##### 2. Expected output of the activity

- Questionnaire is finalized
- Sample procedures are finalized
- Grossing up procedures are reviewed and finalized
- Imputation procedures are reviewed and finalized
- Compilation procedures have been reviewed and finalized
- Established IT solution is reviewed
- Validation rules have been drafted and GEOSTAT has been put in a position to finalise them
- Work plan is reviewed and updated where relevant
- Mission Report written
- ToR for next activity prepared

## Annex 2. Persons met

### Geostat

Ms. Maka Kalandarishvili, Head of External Trade and Foreign Investments Statistics Department

Ms. Nino Maisuradze, Head of Foreign Investments Statistics Division,

Ms. Tamar Lursmanashvili, Chief specialist Foreign Investments Statistics Division,

Ms. Nino Meskheli, Chief specialist Foreign Investments Statistics Division,

Mr. Aleko Zoidze, Senior specialist, Foreign Investments Statistics Division,

Mr. Mamuka Benashvili, Chief specialist, Short-term Statistics Division, Business Statistics Department

Mr. Ivane Kechakmadze, Sampling specialist by contract

### National Bank of Georgia

Mr. Vakhtang Pkhakadze, Head of Balance of Payments division,

Ms. Manana Bakashvili, Leading Specialist Macroeconomics and Statistics Department

### RTA Twinning Team

Mr. Steen Bielefeldt Pedersen, Resident Twinning Advisor

Ms. Eka Lobzanidze, Resident Twinning Adviser Assistant