



REPUBLIKA E SHQIPËRISË
INSTITUTI I STATISTIKAVE

Harmonized Revision Policies for Macroeconomic Statistics

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I. Introduction

1.1 Importance of revisions

Albanian Institute of Statistics ([INSTAT](#)) as the main producer of official statistics and coordinator of the national statistical system in Albania, aims to producing statistics as soon as possible and with the highest quality and comparable data.

The Program “On Official Statistics” ([PSZ](#)) is the main document that regulates the production of official statistics by the National Statistics System for the five next years, but also by providing the necessary resources for successfully carrying out the relevant statistical activities.

Institute of Statistics (INSTAT) should inform other institutions and users of macroeconomic statistics, regarding the revisions policy, the reasons why they happen and the methodology on which of these changes are based. INSTAT has cooperated with the Ministry of Finance and Economy ([MoFE](#)) and with the Bank of Albania ([BoA](#)) as the most important statistical production institutions to take into account these changes in macroeconomic statistics indicators that have a significant impact on the economy. Also INSTAT has the responsibility to communicate the main users of macroeconomic statistics, in meetings or events that are organized inside and outside the institution.

In 2014, all EU member states produced their own statistics with the revised data under the European System of Accounts ([ESA 2010](#)). This revision policy was also applied to the production of statistics for non-EU member states in order to be comparable among them. Based on revision policies, [EUROSTAT](#) reports that major upgrades or standards will be applied in 2019 and 2024 respectively.

It is expected that most of Member States will be able to fulfil this target within 2019 and that all Member States will adopt the next revision that refers to 2024. The production of indicators after revision includes the revision of data statistics, or at least a large part of the time series.

So for the statistics produced between countries to be comparable are created the "European Statistical System" ([ESS](#)) and the "European System of Central Banks" ([ESCB](#)), try to strike the right balance between incorporating the necessary statistical revisions and maintaining an acceptable degree of consistency across domains and countries. For this purpose, both systems have worked together to develop guidelines for a harmonised revision policy for macroeconomic statistics.

Revision policies occupy an essential part in the compilation of the Quarterly National Accounts and Annual National Accounts in Albania. All revision should be implemented according to a set of policy where the main purpose is to be able to contribute and to reduce the inconsistencies. The revision policy for macroeconomic statistics followed by INSTAT it's based on the Harmonized European Revision Policy ([HERP](#)) and in other manuals published by EUROSTAT, which sets out the policies to be followed by statistical institutes of different countries to make comparable these statistics with other countries. Users generally require the latest data on

macroeconomic indicators as soon as possible, particularly in key indicators such as the Gross Domestic Product ([GDP](#)).

To provide timely data, preliminary data are calculated and published from different statistical domains, based on databases which are still incomplete at that time. When data are completed over time, preliminary results are replaced with higher quality results (which are corrected and based on recent data sources) known as the term revision.

Revisions are defined as "any change in the value of published statistics".

Revisions of macroeconomic statistics are needed to improve the quality of a country's statistics but they may be inappropriate for users. To minimize this concern, revisions should be coordinated within a country and then with other countries.

1.2 Revision policy

The establishment of a revision policy is an important step towards improving and increasing the quality of production and publication of statistical indicators.

A revision policy should be recognized as an important aspect of proper statistics production management, while proper statistics production management is a component of transparency and communication with the public.

Studies and revisions reviews should be carried out on a regular basis and should be used by restructure of the production process. All information about revisions process of assessments should be clearly specified by indicating the resources used and their timelines, number of revisions planned, their reasons and their calendar. Revision policy should be communicated in advance to the data users.

Occasional reviews, not included in the revision policy, should be documented and justified. Users should be informed about these changes, the reasons why they are and the methodology on which these changes are based. These notices should be published in the form of articles on the website that describe the nature of any revision that is planned out of the regular process.

Documentation of the revision process should be produced and archived at all stages of the process, from production to distribution. Documentation should include process quality indicators such as time indicators, coverage and disrespect, sustainability and comparability over time.

The concept of revision is very important not only for Eurostat but also for national statistics office because some additional resources may be needed for data collection in order to increase the quality of data in the future. This would be in line with international recommendations and practices and would provide assistance to have a comprehensive overview of development activities to produce statistics in Europe. The role of Eurostat is to consolidate the data and ensure that they are comparable, using the ESA 2010 methodology in order to harmonize the statistics of the Member States.

II. Types of revision

Taking into account the different causes of frequencies and revisions are classified into:

2.1 Routine revisions

Routine revisions are important because preliminary estimates of economic aggregates are often based on temporary data, based on partial results. The importance of developing policy reviews of statistical indicators and reviewing revisions is widely recognized at the national and international level. Routine revisions refer to changes made to previously published economic data and subsequent publications for quarterly or reference year.

Routine revisions are classified into:

- Quarterly routine revisions
- Annual routine revisions

Quarterly routine revision, the Quarterly Gross Domestic Product (GDP) estimate is published 90 days after the reference period. Data are available for the last quarter and also have an effect on the revision of previous quarters as a result of updates or administrative changes to data sources for previous quarters.

Seasonally adjusted data revisions are also considered as routine revisions if they are caused from seasonally adjusted, when it's included the last quarter in the series on which seasonal depreciation will be applied and consequently the estimates of previous quarters are affected.

Annual routine revisions, as quarterly GDP estimates relate to annual data, the changes that will occur in annual GDP will also be reflected in the quarterly series. Annual changes come as a result of improvements of existing annual resources or the involvement of new resources. The one-year evaluation goes through two stages until it reaches its final assessment (semi-final and final evaluations). Changes that occur in these stages are reflected in the quarterly series. The effects of annual changes as they have a relatively long discrepancy (semi-final t+15 months and final t+27 months) give greater or more extended effect in quarterly series.

2.2 Major revisions

Major revisions are performed at longer intervals. The purpose of these revisions is to include key sources of new data and major changes in international statistical methodology (e.g. ESA 2010). These revisions are included in many years in order to create longer and lasting time series. The [Code of Practice](#) adopted by Eurostat and from the National Statistics Offices of the European Union, according to its principles on "The appropriate statistical procedures" defines;

- Agreements are made with holders of administrative and other data which set out their shared commitment to the use of these data for statistical purposes (section 8.6).
- Errors discovered in published statistics are corrected at the earliest possible date and publicised (section 6.3).
- Advance notice is given on major revisions or changes in methodologies (section 6.6).

- Revisions are regularly analysed in order to improve source data, statistical processes and outputs (section 12.3).

III. Quality reports and assessment

An important element of this policy is also the way in which National Accounts revision policies and practices are assessed within the context of quality and evaluation reports. Based on Principle 8 of the European Statistics Code of Practice, revisions will follow standard, well-established and transparent procedures. To fulfill this requirement, the national accounts metadata website will be available on the Web site of the Institute of Statistics.

National Accounts data produced and transmitted to EUROSTAT within one calendar year will be subject to quality reporting and evaluation during the following year. This process aims to be finalized by 2022.

The selection of indicators to be used during the revision process will be carried out in accordance with the European Harmonized Revision Policy for Macroeconomic Indicators (HERP).

IV. Communication with users

Communicating with users regarding major statistical revisions is an important element in the production of national statistics. These revisions have a significant impact on the macroeconomic and social aspect, and are due to changes in statistical methods, concepts, definitions, classifications to improve resource data during the comparison period. The communication of major statistical revisions will be based on the practices that will be followed by all European Union countries:

- **Pre-announcement:** All users should be informed of the main reasons for data revision, variables, and periods covered.
- **Documentation:** Large revisions are accompanied by sufficient documentation allowing users to appropriately assess the most recent macroeconomic situation. The documentation should detail the reasons for the revisions, assess their impact on the main aggregates, and clarify any implied breaks in time series or discrepancies in revised statistics. It is necessary for users to get acquainted with the revision calendar. The documentation should also be made available to Eurostat.
- **Communication on major revision:** Communication on revision resulting from the change of concepts, definitions or classifications of the European Union, European amendments or legal acts affecting all or many of the Member States, as well as the timing and implementation of these revisions should be carefully coordinated based on the European Statistical System (ESS).

V. References

ESA 2010, European System of Accounts 2010, EUROSTAT, Luxembourg.

<https://ec.europa.eu/eurostat/documents/3859598/5925693/KS-02-13-269-EN.PDF/44cd9d01-bc64-40e5-bd40-d17df0c69334>

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