

# Twinning Project

Contract: GE 16 ENI ST 06 18

## Strengthening the Capacity of the Georgian Statistical System

**Component 1: “Component 1: “Development of External Sector Statistics”**

### MISSION REPORT

**Activity: 1.0 “Assessment of the current situation**

Mission carried out by  
Søren Rich, Statistics Denmark  
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May 13<sup>th</sup> – May 15<sup>th</sup> 2019

Version: Draft no 1.0



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## List of Abbreviations

EC	European Commission
EU	European Union
MS	EU Member State
RTA	Resident Twinning Adviser
RTAA	Resident Twinning Adviser Assistant
ToR	Terms of Reference

## 1. General comments

This mission report was prepared within the EU Twinning Project "Strengthening the Capacity of Georgian Statistical System". It was the initial mission devoted to an assessment of the current situation within Component 1 of the project.

The purposes of the mission were:

- To assess the current situation and thereby;
  - Identify the most important action areas, prioritize activities and identify risk and problems and
  - Assist the RTA and project leaders in compiling the initial work plan, schedule the activities.

The consultants would like to express their gratitude to all officials and individuals met for the kind support and valuable information which they received during the stay in Georgia and which highly facilitated the work of the consultants.

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 GEOSTAT officials had made a great and very useful preliminary work by describing in detail the work to be done and the milestones to be reached over the next two years, and the optimal time plan in this respect from the point of view of GEOSTAT. The preliminary work laid the ground for a very transparent and focused discussion on the different issues to be dealt with.

The GEOSTAT officials started the mission by giving an introduction to the different processes and workflows connected to external trade statistics in Georgia, including data sources, data collection, data validation, compilation of the statistics, dissemination of the statistics and so forth. Following the introduction the experts, the GEOSTAT officials and the representative for the National Bank of Georgia had some fruitful discussions on the possible reasons for asymmetries as well as discussions concerning different ways of addressing the work to come concerning asymmetries and mirror comparisons. In extension some corrections to the milestones to be reached and the work plan to be followed was incorporated in respect to sub-component 1.1.

Sub-component 1.2 is assessed as being the most comprehensive and the most difficult to be handled. After outlining and discussing the state of play, the experts assessed that the draft time plan compiled by GEOSTAT was too ambitious in respect to the work to be done. Specifically, it was agreed that more work than initially planned by Geostat needs to be done with regard to identifying the sampling frame for a future ITSS survey. Also, it was suggested that a screening survey could be the solution. To be able to perform the screening survey, analyse the results, use the results on the new survey on International Trade in Services and perform the tasks in respect to the new survey outlined in the projects verifiable indicators, it was suggested to add an extra mission to the sub-component, as well as a restructuring of the study visits to be performed.

The initial work- and time plan drafted by GEOSTAT on sub-component 1.3 was also discussed and assessed and only minor changes were suggested and introduced to the consolidated work plan.

The results, recommendations and conclusions were presented for the GEOSTAT project leader Mr. Gogita Todradze, Executive Director of GEOSTAT, at the end of the mission. The presentation highlighted the great cooperation between the experts and the officials from both GEOSTAT, NBG and the expert from IMF, the great preliminary work done on the side of GEOSTAT and the focused discussions, which made it possible to finalise a rather detailed work plan which of course may be exposed for changes as the work is being launched. The presentation also highlighted the changes proposed to especially sub-component 1.2.

### 3. Conclusions and recommendations

- Due to a rather limited knowledge of the entities involved in International Trade in Services, more in-depth work aiming at defining the sampling frame is suggested, possibly in the form of a screening survey to be carried out in November 2019. Due to the suggested additional work on the sampling frame and a generally very ambitious plan for the objectives to be accomplished on sub-component 1.2 a supplementary mission is suggested, which means that the number of missions on sub-component 1.2 is 5 instead of 4.
- According to the project plan one study visit on each sub-component is planned to be performed. The study visits in sub-component 1.1 is planned to be performed with 10 participants. Due to the many tasks to be performed and the objective indicators to be accomplished in respect to sub-component 1.2 it is recommended to perform two study visits on this sub-component with 5 participants and reduce the number of participant in the study visit of sub component 1.1 to 5 persons

Actions needed for moving forward as well as for preparing the next mission:

Action	Deadline	Responsible person
The work- and time plan is concerning sub-component 1.2 is presented to. and assessed by, other experts at Statistics Denmark	End of May 2019	Mr. Søren Rich and Mr. Stefan Ambro
The possibility of adding a fifth mission to sub-component 1.2 is presented for and assessed by the project leader.	End of May 2019	RTA
The possibility of splitting one study visit in two is presented for, and assessed by, the project leader.	End of May 2019	RTA

## Annex 1. Terms of Reference

### Terms of Reference

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

May 13<sup>th</sup> – May 15<sup>th</sup> 2019

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

#### Activity 1.0: Assessment of current situation

#### 0. Mandatory results and benchmarks for the component

Mandatory results:

- 1.1 Mirror Comparison in Internal Merchandise Trade Statistics (IMTS) accomplished
- 1.2 Statistics on International Trade in Services (ITS) compiled
- 1.3 Foreign trade (Export –Import Unit Value Indices) UVI in IMTS calculated

Indicators of Achievement:

- The purpose of this activity is to assist the Geostat and Twinning team to further develop the benchmark and indicators of achievement for component 1 and its sub components

#### 1. Purpose of the activity

- Assessment of the current situation and the standards used regarding the External Sector Statistics in Georgia
- To assist the RTA, MS and BC project leaders in compiling the initial rolling work plan
- To provide support to the scheduling of activities in the component on External Trade and its sub components
- To identify the most important actions areas in component 1
- To prioritize activities and the sub components in component 1
- To establish a realistic time frame / sequencing of activities / sub components in component 1
- To identify risks and problems relevant to the implementation of component 1
- To identify and incorporate relevant stakeholders for the work to come

#### 2. Expected output of the activity

- Overview of current situation regarding External Trade Statistics in Georgia
- Overview of current challenges and opportunities in External Trade Statistics in Georgia
- Timeframe / implementation schedule for component 1 and its sub components
- Suggestions for staffing of the activities
- Input provided to RTA & Twinning Team for compilation of rolling work plan



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## Annex 2. Persons met

### **Geostat:**

Mr. Gogita Todradze, Executive Director,  
Ms. Mariam Kavelashvili, Deputy Head of Strategic planning,  
Ms. Lia Dzebisauri, Head of External Trade and Foreign Investments Statistics Department,  
Mr. Aleksandre Ambokadze, Head of Information Technology Department  
Ms. Eka Jananashvili Head of External Trade Statistics Division,  
Ms. Nino Maisuradze, Head of Foreign Investments Statistics Division

### **External stakeholders:**

Mr. Vakhtang Pkhakadze, Head of Balance of Payments division, National Bank of Georgia,  
Ms. Tamara Razin, IMF expert

### **RTA Team:**

Steen Bielefeldt Pedersen, RTA  
Ekaterina Lobzhanidze, RTA - Assistant