**GROSS DOMESTIC PRODUCT (GDP) 2015 – 2017: REVISED DATA SERIES**

The Statistical Office of the Republic of Serbia (SORS) implemented the revision of the GDP data for the years 2015 and 2016 and of the first published estimates (as the sum of the four quarters) for 2017. The new data series is going to be released on 01/10/2018.

The process of so-called *“major revision“* in national accounts is adopted as a standard and usual procedure that is regularly conducted every fifth year, which for the EU Member States has been announced for 2019. It is worthwhile remembering that the last revision of the GDP was implemented in 2014, along with introducing the new methodological frame ESA 2010 (European System of Accounts). Due to the importance of the GDP estimates and users’ requirements to have available updated GDP estimates as promptly as possible, SORS has decided, in consultation with representatives from the IMF, the Ministry of Finance and the National Bank of Serbia, to start publishing the first revised data series even earlier, already in 2018, which is in compliance with the policy of revisions prescribed by Eurostat, and the entire process of revision and publication of the revised data series to be accomplished in 2019 together with other EU NSIs. The obligation of publishing the revised GDP data series for the years 2015 – 2017, according to the agreement with the representatives of the IMF, is envisaged in the Program Statement that outlines the Government’s objectives, setting out the policies that the Government and the National Bank of Serbia (NBS) intend to implement within the new macroeconomic and structural reform program, supported by the Policy Coordination Instrument (PCI), for the period August 2018 – January 2021. It is important to note that the GDP calculations for the observed years were carried out under the supervision and with the technical assistance by the IMF mission. SORS announced the process of the GDP revision at the session of the Statistical council held on 21/06/2018, which was attended by the representatives of the Ministry of Finance and the National bank of Serbia, together with other representatives of official statistics users.

In the forthcoming stage, the revision of data series for the period backwards to 2005 is envisaged to be implemented until the end 2018, and the data 2005 backwards (starting from 1995) will be revised, i.e. the entire series is going to be completed during 2019, as in the EU Member States.

In presently accomplished revision of GDP data, all accumulated methodological improvements were implemented, as well as the new data sources that became available in the period from the last revision in 2014. The following are the main and immediate reasons for the GDP revision and early publication of the revised GDP data series for the period 2015 – 2017:

* Data on imports of goods were significantly improved by eliminating the identified shortcomings in the database of the Customs Administration for the period 2016 backwards. The new data series on imports of goods for the period 2015 – 2017 were included in the revised GDP figures.
* New sectorization, i.e. the new delineation of the General Government has been implemented in 2018, which also influenced the GDP calculations by institutional sectors.
* The new database of the Central Register of Compulsory Social Security (CROSO), available only starting from 2016, ensured better estimates of formal employment and therefore of informal employment and non-observed economy (NOE) estimates.
* Economic Accounts for Agriculture (ЕАА) will be for the first time fully implemented in GDP calculations as the main data source for agricultural activity. In addition, the ЕАА are updated with а revised series for the post-census period 2013 – 2017 through а newly introduced Survey on fruit production (conducted in 2017), and that is expected to provide more accurate measurements of fruit production and to improve the GDP estimates as well.
* Starting from 2017 SORS has introduced the regular production of import price indices (IPI) and these were for the first time applied in the calculations, which significantly upgraded the quality of GDP estimates at constant prices.

A major novelty introduced at SORS on this occasion concerns the changed dynamics of the GDP data release. Up to now the practice assumed that the so-called September estimate (30 September for the previous year) was also adopted as the final estimate, which so far was not corrected. The new program of releases envisages that in future the September estimate will be regarded as a preliminary GDP estimate that is subject to changes, and the final estimate would be released a year later. This program of releases is adopted as a standard practice for all EU countries, also allowed by the Eurostat Transmission Program, and this is required because of the long, complex process of annual accounts compilation, especially as regards supply and use tables, and it cannot be optimally finalized within the period of 3-4 months from the moment of providing the results of the aggregated processing of financial statements by the SBRA (May-June current year for the previous year), when actually the production of annual accounts can start.

All mentioned improvements of sources and methods, as well as the new program of releases of GDP data are expected to ensure more reliable, accurate and comprehensive GDP calculations, as well as the upgraded consistency of annual accounts with quarterly national accounts, and other parts of the statistical system.