

Quality declaration **Gross National Income**

0.General Information on Statistical Products		
0.1	Title	Gross National Income
0.2	Subject Area	National accounts, gross domestic product
0.3	Responsible Authority, Office, Person, etc.	Ms. Lusya Khachatryan Head Macroeconomic Indicators and National Accounts Division Armstat 3 Government House, Republic Avenue Yerevan, 0010 Republic of Armenia Telephone +374 11 52 39 96 Email lusya@armstat.am , info@armstat.am
0.4	Purpose and History	<p>The main purpose is the calculation of main indicators of National Accounts System of the Republic of Armenia, as well as the provision of accurate and reliable information about macroeconomic indicators according to predefined procedures.</p> <p>The implementation of the System of National Accounts of the Republic of Armenia has started from 1990's, when Armenia adopted change in policy formation for establishment of liberal economic relations, transition to which required implementation of typical accounting system according to exhaustiveness of international concept definitions, classification and accounting rules (SNA-93 and ESA-95). Information on main official annual indicators of national accounts system of the Republic of Armenia is available from 1990-s.</p> <p>Since 2014 Statistical Committee has been made methodological changes in national accounts of Armenia introducing SNA 2008 instead of SNA 1993.</p>
0.5	Users and Application	The scope of main users of the statistical information on National Accounts is rather broad. Among main users are public agencies in charge of the country's economic policy and economic forecasts, other public administration and local self-government bodies, public, scientific-educational, financial organizations, business community, mass media, international organizations, etc. Data is used for analysis, modeling and forecasting purposes.
0.6	Information Sources	Estimates are based on different sources, mainly findings of Armstat statistical observations. Monthly, quarterly and annual observations of organizations are used during estimation of some components of GDP estimated by expenditure approach. In addition, findings of household living standard complete and labor

		<p>force sample surveys conducted by the Armstat are used.</p> <p>Information provided by the Ministry of Finance (MB) is used to estimate services of public administration bodies. Data received from the RA Central Bank (CB) are used to calculate final consumer's expenditure of households.</p>
0.7	Legal Authority to Collect Data	The data are collected based on the Law on "Official Statistics" and "Five Year Statistical Program", as well as the Resolution No. 05-N of RA State Council on Statistics "On Approval of the Procedure for the collection of statistical data" dated 20 June 2016 and Resolution "On Approval of Annual Statistical Program".
0.8	Response Burden	There is no direct response burden.
Content		
1.1	Description of the Content	<p>All functions defined in SNA are covered. GDP estimate includes all market transactions, including barter. The entire economy of the Republic of Armenia is covered.</p> <p>The Gross National Income is compiled through the distribution of primary income account.</p> <p>Allocation of primary income account is the second constituent of the primary distribution of income accounts. It shows how incomes obtained from the production activity or property is distributed among resident institutional units or sectors.</p> <p>Balance of primary incomes characterizes incomes receivable by institutional units as a result of their participation in production or from property. It is defined as the difference between all primary incomes receivable and payable by resident units.</p> <p>At the level of the total economy the balance of primary incomes calculated gross, i.e. before deduction of consumption of fixed capital, is equal to Gross National Income.</p> <p>GDP is calculated based on the current prices.</p>
1.2	Statistical Concepts	<p>The national accounts of Armenia are compiled in accordance with the fundamental concepts, categories, accounts' conception, as well as the other methodological foundations of the System of National Accounts (SNA 2008).</p> <p>The RA National Accounts are calculated in accordance with the main classifications, definitions and concepts of the system of National Accounts as well as based on other methodologies.</p> <p>The labor payment (Compensation of Employees) is the sum of the payments to the hired employees both in cash and in kind. The</p>

		<p>sum paid to the employee includes contributions to social insurance schemes, income tax deductions, and other payments, payable by employees, even if they are actually deducted by administration and paid directly to social insurance funds, tax services or any other institutions on behalf of the employees.</p> <p>Gross (or net) operating surplus of the economy is the part value added which remains with producers after deducting outlays related to the remuneration of employees and taxes on production. The terms “gross” and “net” in this case show if this indicator includes or excludes consumption of fixed capital in the process of production.</p> <p>Property Incomes are the incomes which are received or paid as a result of the use of financial, land and other non-financial assets used by the structural unit (mineral resources and other natural assets, patent, license, etc). Production and import net taxes include product taxes and other production taxes. “Net” means that the taxes are shown excluding the corresponding subsidies.</p> <p>Product taxes include taxes the sums of which are directly dependent on the price of the product. They include value added tax, a excise tax, import tax and customs duties.</p> <p>Subsidies are payments (a sum of money) which are granted by the state budget to the enterprises to assist the production of goods and services, their sales and import.</p> <p>Other taxes on production consist of all taxes, except taxes on products, payable by enterprises in connection with their participation in the production process. The rates of these taxes do not directly depend on the volume and profitability of production. They do not include taxes on profit or on other incomes of enterprises. Other taxes on production include: taxes on use of natural resources (environment tax), payments for land (land tax), licenses, state duties and levies payable by enterprises and organizations, real estate tax, e.t. c.</p>
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2.Time		
2.1	Reference Period	Calendar year is a reference year for annual accounts.
2.2	Date of Publication	Annual GDP estimate is published on April 30th after the reporting year, while the exhaustive accounts are published in the fourth quarter.
2.3	Punctuality	Data are published according to schedule of annual programs publication and no delays from defined deadlines have been recorded.

2.4	Frequency	Annual exhaustive accounts are compiled both by whole economy, as well as by institutional sectors.
3.Accuracy		
3.1	Overall Accuracy	Additional calculations are made for a number of statistical indicators for non-observed economy including “shadow” economy (without illegal activity), which are based on output, number of employees, as well as number of persons taking part in production data received from regular statistical reporting forms, as well as labor force sample survey. Indirect macroeconomic methods using different data sources are also used. Production approach is the main method for GDP annual estimates. Difference between GDP calculated by production and expenditure approaches is reflected as a statistical discrepancy.
3.2	Sources of Inaccuracy	Possible inaccuracy of data in national accounts is due to incompatibility of data received from different sources.
3.3	Measures on accuracy	-
4.Comparability		
4.1	Comparability over Time	In cases when methodological or other changes are made (e.g. base year change, relevant publications provide explanatory notes on such changes and show rows estimated (revised) for previous years.
4.2	Comparability with other Statistics	There is comparability with other statistics for example Balance of Payments.
4.3	Coherence between Provisional and Final Statistics	Data on GDP are estimated only based on the annual data of the reference year.
5.Accessibility		
5.1	Forms of Dissemination	Paper Form (Hard Copy) Annual Publications -“Armenian national Accounts” statistical publication (Armenian and English) Databases: https://armstatbank.am/pxweb/en/ArmStatBank/?rxid=602c2fcf-531f-4ed9-b9ad-42a1c546a1b6,602c2fcf-531f-4ed9-b9ad-42a1c546a1b6 Website: Electronic versions of publications are available in Armenian (full), Russian, English at the following address: http://www.armstat.am :
5.2	Basic Material: Storage and Usability	All publications of “Armenian National Accounts” are preserves both in paper and in electronic forms.
5.3	Documentation	Brief methodological explanations on indexes are published in quarterly issues of “Socioeconomic Situation of the Republic of Armenia” monthly informative report (Armenian and Russian),

		<p>and more detailed information is available in the National Accounts of Armenia statistical book.</p> <p>Additional documentation is available in the Metadata subsection of the Statistics subsection of the Armstat official website, in line with IMF Special Data Dissemination Standards, in Armenian, Russian and English languages,</p> <p>E address: https://www.armstat.am/en/?nid=549:</p>
5.4	Other Information	No other documentation is available.
6. Supplementary l documentation		
		Information is available under the General Statistical Business-Process Model at https://www.armstat.am/en/?nid=672 .