

## **LAW ON STATISTICS AND STATISTICAL SYSTEM OF THE REPUBLIC OF MONTENEGRO**

(Official Gazette of the Republic of Montenegro, No 69/05)

### **I GENERAL PROVISIONS**

#### **Article 1**

The purpose of this Law is to regulate the fundamental principles of Official Statistics in the Republic of Montenegro (hereinafter: "Montenegro"), organization of statistical system and the principles it is based on, the Programme of statistical surveys, collection, processing and storage of the statistical data, statistical registers, dissemination of statistical data, the way of ensuring data confidentiality, international statistical cooperation and other issues important for functioning of statistical system.

#### **Article 2**

Statistical system, shall provide quantitative and representative information about the economic, demographic, social and environmental situation in Montenegro to all users and according to the highest professional standards.

#### **Article 3**

Statistical activities shall be performed by the bodies and institutions authorized by this Law and the Programme of statistical surveys (hereinafter: "the Programme").

This Law is not related to preparation, collection, processing, production, use and storage of data for administrative purposes neither to data collection by observation and monitoring methods for non-statistical purposes, that is, for purposes other than statistical.

The provisions of this Law are also applicable to data mentioned in paragraph 2 of this Article from the moment these data are submitted to statistical producers determined by this Law.

#### **Article 4**

Certain expressions used in this Law have the following meanings:

- Statistical activity is any activity defined by this Law, a special law and the Programme, applying scientific and professional methods and standards for the purpose of production, processing and dissemination of statistical results;
- The Programme is a legal act defining statistical activities for the 5-year period in accordance with this Law;
- Annual Plan of Statistical Surveys (hereinafter: "Annual Plan") – is an act which, for the proper implementation of the Programme, shall be defined for each year of the period covered by the Programme;
- Statistical survey is a method of systematic collection of data directly from

reporting units and exclusively for statistical purposes;

- Statistical questionnaire/form is any document used in statistical surveys while collecting data from reporting units;
- Data collection is any activity related to the conduct of statistical surveys, use of administrative data sources, as well as observation and monitoring methods.
- Reporting units are legal entities and their units, entrepreneurs, physical persons, households, state government bodies, local self-government bodies and all other units that provide data exclusively for statistical purposes, with the contents and terms foreseen by the Annual Plan;
- Statistical unit is a methodologically and uniquely defined level for each type of data collection, determined in a way that allow data transmission by reporting units as well as aggregation at data processing by producers of statistics;
- Identifier is every unique variable that allow direct or indirect recognition of an individual statistical unit;
- Statistical result is any statistical data that is produced, processed and disseminated according to the provisions of this Law;
- The producers of statistics are the bodies and organizations determined by this Law and the Programme;
- The production of statistical results is the process encompassing all the activities of the collection, storage, processing, compilation, analysis and dissemination of the statistical data;
- Dissemination is every activity of statistical producers related to presentation of statistical data and enabling access to the results and methodologies but also providing of additional results to certain users according to their special requests;
- Statistical Registers are nominal lists on reporting and statistical units, which are regularly updated and used explicitly for statistical purposes;
- Administrative data sources are data compilations regulated by the special laws and used for determination of rights and obligations of legal entities and physical persons;

## II FUNDAMENTAL PRINCIPLES OF THE STATISTICS

### Article 5

The statistics is based on the following principles: relevance, impartiality, reliability, transparency, timeliness, professional independence, cost-effectiveness, consistency, publicity, data confidentiality and use of individual data explicitly for statistical purposes.

### Article 6

Principles defined in Article 5 of this Law have the following meanings:

- 1) Relevance means that statistical data shall satisfy clearly defined informing conditions that are related to providing the statistical purpose. Statistical data are to be periodically checked and relevant need for data should be timely identified;
- 2) Impartiality means objective way of setting up the definitions and methods of collection, processing and dissemination of statistical data, preserved from any kind of influence;

- 3) Reliability means that methods and actions related to collection, processing and dissemination of statistical data are determined by highest professional standards, scientific methods and principles of professional ethics, so that the statistical results completely mirror the observed phenomena and with certain level of accuracy;
- 4) Transparency means that reporting units must be informed about legal obligation of data submission, purpose for which data are requested and measures of data protection. Statistical data, if not individual, shall be accessible to users;
- 5) Timeliness means that activities foreseen by this Law and regulations established on the basis of the Law, shall be carried out and accomplished within the fixed deadlines;
- 6) Professional independence means that producers of statistics shall perform statistical activities applying scientific and professional methods, preserved from any kind of influence;
- 7) Cost-effectiveness means the optimum use of all available resources and the minimization of the burden on respondents. The amount of work and the costs which the production of statistics requires should be in proportion to the importance of the results;
- 8) Consistency means that statistical data shall be consistent by its content, terminology and periods of time. Internationally recognized concepts, nomenclatures, classifications, definitions and methods are applied in order to reach maximal international comparison of statistical data;
- 9) Publicity means that results of statistics shall be accessible to all users at the same time;
- 10) Statistical confidentiality is a protection of data from any kind of misuse, which is related to individual statistical unit and the data are collected exclusively for statistical purposes or obtained indirectly from administrative or other sources. It implies the prevention of non-statistical utilization of the data obtained and unlawful disclosure. Principle of statistical confidentiality does not refer the data of the bodies of the Government of the Republic of Montenegro (hereinafter: "Government");
- 11) Use of individual data explicitly for statistical purposes means that data collected through the statistical activities, where the principles of statistical confidentiality are applied, shall be used exclusively in compliance with the provisions of this Law and shall not be the basis for determination of any rights or obligations of reporting units.

### III ORGANIZATION OF THE STATISTICAL SYSTEM

#### Article 7

Statistical system is based on three key principles:

- 1) Methodological consistency – means full prevention of including into statistical system any data resulted from application of certain internal methodologies and not harmonized with international standards and classifications.
- 2) Legal consistency – means that this Law and regulations established by the Law define the organization of all statistical activities.
- 3) Information consistency – Creation of an information system that follows the concept of statistical system. Producer of statistics is responsible for creation of databases that are under his competence and is obliged to make all data, in compliance with this Law and in the most efficient way, accessible to other members of the system. All other producers have the right and obligation to integrate the

source database into their own databases in line with defined criteria but have no right to create own new database out of the data produced by other producers in the system.

## Article 8

Producers of statistics are:

- 1) Administrative body in charge of statistics affairs (hereinafter: "Body-in-charge")
- 2) Central Bank of Montenegro
- 3) Montenegrin Securities Commission
- 4) Administrative body in charge of customs affairs
- 5) Administrative body in charge of tax system
- 6) Governmental body in charge of finances
- 7) Central Register of the Commercial Court
- 8) Administrative body in charge of development affairs
- 9) Other bodies determined by the Programme

The producers of statistics as in paragraph 1 of this Article shall conduct statistical activities defined by this Law, according to methodology of communication among the members of statistical system.

The methodology mentioned in paragraph 2 of this Article shall be defined by the Government.

The producers of statistics as in paragraph 1 of this Article shall be responsible for collection, production, processing and dissemination of statistical data, processing of administrative data and data collected by observation and monitoring method, in compliance with provisions of this Law.

## Article 9

Statistical activities of the Body-in-charge, comprise notably:

- 1) Development of the statistical system;
- 2) Coordination, creation and implementation of the Programme and report on the implementation of the Programme;
- 3) Monitoring the implementation of principles defined in Article 6 of this Law;
- 4) Definition, updating and maintenance of the methodological basis, their international harmonization in cooperation with other producers of statistics, and monitoring of their implementation and provision of instructions/guidelines on methodology implementation to other producers of statistics;
- 5) Preparation and conduct of statistical activities, fulfilment of international obligations within the scope of the work established by the Programme;
- 6) Production of the basic indicators and aggregates of statistics from the scope of the work established by the Programme, use of all available data sources, including administrative data sources and data obtained by the observation and monitoring method that are collected by all the producers of statistics.
- 7) Monitoring and conduct of quality control of statistical results;
- 8) Analysis and interpretation of statistical results;
- 9) Introduction and maintenance of statistical registers and statistical database;
- 10) Organization of exchange of results and methodological basis of statistics with

other countries and international organizations, unless if in certain cases other producer of statistics is authorized to do so, or if not regulated differently by another Law.

11) Performance of any other tasks that are in compliance with this Law.

#### Article 10

Statistical activities of other producers of statistics are the following:

- Central Bank of Montenegro is responsible for the following statistics: monetary, financial, insurance, balance of payments and payment transactions (from/to abroad);
- Montenegrin Securities Commission shall be responsible for the statistics on the market for capital funds;
- Administrative body in charge of customs affairs shall collect and control the data on foreign trade (customs and customs charges, excises at import, except for excise goods which is subject to delayed excise payment, VAT at import, charges for goods' transit over the territory of Montenegro as well as administrative taxes applicable to goods in customs procedures);
- Administrative body in charge of tax system shall be responsible for fiscal revenues statistics;
- State administrative body in charge of finances shall be responsible for the statistics on fiscal expenditures and non-fiscal revenues;
- Central Register of the Commercial Court shall be responsible for the statistics on the economic subjects (companies, entrepreneurs);
- Administrative body in charge of development affairs shall be responsible for the statistics on development and investments and to provide the list of macroeconomic indicators;

#### IV COUNCIL OF STATISTICAL SYSTEM

##### Article 11

Aiming to improve statistical culture and knowledge as well as to satisfy users' needs, the Government shall establish the Council of Statistical System (hereinafter: "The Council").

The Council is a professional advisory body in charge of strategic issues of the statistics and statistical system

##### Article 12

## The Council

1) shall provide professional opinions and proposals on:

- Proposal of the Programme, proposal of the Annual Plan and proposal of the report on the implementation of the Annual Plan;
- Regulations which are to establish new or to change existing administrative data sources
- Draft laws and other legal acts related to producers of statistics or to statistical activities;
- Development and promotion of the system of official statistics and international cooperation;
- Increase of knowledge of both, statistical producers and users;
- Other issues important for the functioning of the statistical system.

2) Shall consider:

- Functioning of the statistical system.
- Cases when the bodies keeping the administrative data sources fail to provide data needed for the statistical purposes;
- Cases when the producers of statistics do not act in accordance with the provisions of this Law;
- Other issues important for the functioning of the statistical system.

3) Shall define:

- The list of macroeconomic indicators and publishing periodicals, in cooperation with the Administrative body in charge of development;
- Taking care of the knowledge increase of statistical producers and users;
- Need for the census conduct, introduction, revision or cessation of the large statistical surveys, infrastructure projects and financial sources for their implementation;
- Standards and guidelines for applying the basic principles of the statistics;

## Article 13

The Council shall have 17 members:

- Representatives of all producers of statistics as defined in Article 8 (paragraph 1, points 1 to 8) of this Law
- Representative of the state administration body in charge of financial affairs-1 member
- Manager of the Body-in-charge
- Representative of the Republic Fund for Pension and Disability Insurance – 1 member
- Representative of the Republic Health Fund – 1 member
- Representative of scientific institutions – 1 member
- Representative of research institutions – 1 member
- Representative of business associations – 1 member
- Representative of NGO sector – 1 member, and
- Representative of other producers of statistics – 1 member

The Body-in-charge shall be responsible for the working conditions of the Council.

#### Article 14

The Government shall appoint the Council members at the proposal of the Manager of the Body-in-charge.

The Council shall have the president and vice president elected among its members .

The organization and way of working of the Council are more precisely defined by its internal rules of procedure).

#### Article 15

The members of the Council shall be appointed for a five-year mandate with a possibility of one re-appointment.

#### Article 16

Professional opinions and proposals of the Council, in compliance with the provisions of this Law, shall be public and published on the Council's web site.

#### Article 17

The Body-in-charge shall carry out professional and administrative tasks for the Council.

An employee of the Body-in-charge shall be elected to act as a secretary of the Council.

The Council shall have the right to form special commissions, experts' groups and other working bodies.

The Act on establishing working bodies as in paragraph 3 of this Article, shall define their activities and tasks, composition and working methods.

The Council shall have the right to engage national or international legal or physical persons on a consultancy basis.

### V PROGRAMME OF STATISTICAL SURVEYS

#### Article 18

Statistical activities are based on the Programme.

The Programme, submitted by the Governmental body in charge of labour affairs (hereinafter: "Ministry-in-charge"), according to the prior opinion of the Council, shall be adopted by the Government.

The programme mentioned in paragraph 2 of this Article shall be published in the "Official Gazette of the Republic of Montenegro".

Producers of statistics defined in paragraph 1 of Article 8 of this Law, shall submit to the Body-in-charge the proposals related to elaboration of the Programme, within their competency, at latest on 10 May of a year preceding the period to be covered by the Programme.

#### Article 19

The Programme is consisted of:

1. Overview of the development objectives;
2. Overview of the main results of official statistics to be disseminated by every field, dissemination periodicals, the main overviews harmonized with international standards;
3. Overview of the most important activities on infrastructure and development, that can not be categorized by the fields;
4. Names of the responsible producer of statistics;
5. Level of data dissemination;

#### Article 20

For the implementation of the Programme, an Annual Plan shall be defined.

The Annual Plan, submitted by the Ministry-in-charge, according to the prior opinion of the Council, shall be adopted by the Government.

The Annual Plan mentioned in paragraph 2 of this Article shall be published in the "Official Gazette of the Republic of Montenegro".

Producers of statistics defined in paragraph 1 of Article 8 of this Law, shall submit to the Body-in-charge the proposals related to elaboration of the Annual Plan, within their competency, at latest on 10 May of a year preceding the year which is to be covered by the Annual Plan.

#### Article 21

The Annual Plan contains:

- 1) List of statistical surveys to be carried out, that is:
  - a) Name of the responsible producers of statistics;
  - b) Title of the statistical survey;
  - c) Reporting units;



- d) Obligatory binding for data submission;
- e) Methods of data collection;
- f) Deadlines for data collection;
- g) Main contents;
- h) Data dissemination deadlines and levels;
- i) Deadline for submission of self-administered questionnaires
- j) Reference point in the Programme;

2) For data collection from administrative sources or data obtained by observation method:

- a) Type & name of the source (administrative, observation method);
- b) Holder of the data source;
- c) Producer of statistics (if different than the data source holder);
- d) Periodicals and deadlines for data transfer to the producer;
- e) Format of the data transfer;
- f) Content of variables
- g) Classifications and definitions to be applied prior to data transfer
- h) Data dissemination deadlines and levels;
- i) Reference point in the Programme;

3) For development and activities on infrastructure, censuses and other large statistical surveys as in the Programme:

- a. Name of the responsible producer of statistics;
- b. Title of the activity;
- c. The goals to be reached.

## VI DATA COLLECTION

### Article 22

Before the beginning of data collection phase, the reporting units shall be informed about:

- 1) Legal basis for survey conduct;
- 2) Purpose of survey
- 3) Obligation of reporting
- 4) Explicitness of data use for statistical purposes
- 5) Data protection

### Article 23

The reporting units shall be obliged to provide accurate, complete and up-to-date data free of charge, in a form and content determined by the producer of statistics and within the deadlines set in the Annual Plan.

### Article 24

If the data provided by the reporting units are inaccurate, incomplete or obsolete, the units are obliged to correct or complete the data according to the instructions and within the deadlines established by the producer of statistics.

#### Article 25

The producers of statistics, shall have right to engage on a contractual basis a natural or legal person to perform certain activities related to the statistical system.

While carrying out the assigned activities, the persons mentioned in paragraph 1 of this Article are obliged to act in compliance with provisions of this Law.

Producers of statistics shall control the work of the contractors and be responsible for the quality of the results obtained as described in paragraph 1 of this Article.

#### Article 26

Producers of statistics, shall issue a written authorization, containing the necessary identification data, to all interviewers, estimators, enumerators, controllers, instructors, as well as to other persons involved in direct data collection and quality control.

The persons mentioned in paragraph 1 of this Article are obliged to respect the provisions of this Law related to data confidentiality.

#### Article 27

In cases when it is needed to evaluate methodology or the quality of sources of the data that should be obtained through statistical surveys or census, the producers of statistics, upon prior approval of the Council, can conduct pilot surveys even if such surveys are not foreseen by the Programme.

Data collected through the statistical surveys as in paragraph 1 of this Article shall not be considered as official statistical data.

#### Article 28

The Body-in-charge, shall have right, in accordance with the provisions of this Law, to access individual data collected within statistical surveys by other producers of statistics, in case they need those data to conduct statistical activities or to evaluate the quality of the results.

#### Article 29

For the statistical purposes, producers of statistics shall have right, in accordance with the provisions of this Law, to access all administrative data sources and data

collected by observation method, unless otherwise provided by a special Law placing an explicit ban on their use for statistical purposes.

#### Article 30

Holders of administrative data sources and of data collected by observation method, shall transmit the data in accordance with the requirements of producers of statistics, free of charge and on the conditions defined in the Programme.

#### Article 31

The Body-in-charge has right to request additional data in case these are necessary for the data quality control or fulfilment of the assigned tasks.

### VII DATA PROCESSING AND STORAGE

#### Article 32

Producers of statistics shall be obliged to destroy identification data on the reporting units, after having processed the collected data or data obtained from the administrative sources and after having used these data for updating of the statistical registers, except in cases defined in Article 39 of this Law.

Producers of statistics shall be obliged to destroy statistical questionnaires containing data obtained through statistical surveys immediately upon completion of data entry, coding and processing phase.

#### Article 33

In order to fulfill its tasks and activities, the Body-in-charge shall have right to modify data obtained from the administrative data sources as to make them harmonized with definitions and classifications used in its statistical registers.

#### Article 34

Producers of statistics shall be obliged to document and store data organized and coded at the statistical unit level, without identification data, for a period of at least 10 years.

At the expiration of the period set in paragraph 1 of this Article, the data shall be transferred to the State Archive as regulated by the provisions of a special Law.

#### Article 35

Data defined in Article 34 of this Law shall be stored in a way to prevent their destruction, misuse, illegal access or unauthorized use.

## Article 36

Data storing method, duration, technical conditions and organization of data storage, as defined in Article 36 of this Law, shall be regulated by the legal Act adopted by the Ministry-in-Charge.

## VIII STATISTICAL REGISTERS

### Article 37

At the proposal of the Body-in-charge, the Council shall make an Act on classifications and standards to be introduced by all producers of statistics.

### Article 38

The Body-in-charge shall be responsible for organization and maintenance of the following statistical registers:

- 1) Business Register
- 2) Agricultural Register
- 3) Register of Spatial Units

Administrative body in charge of real estate affairs keeps and maintains the Register of Dwellings.

Organization and maintenance of the registers mentioned in paragraphs 1 and 2 of this Article, as well as usage of the data from these registers, shall be determined by the Act of the Ministry-in-charge, upon proposal of the Council.

### Article 39

The Body-in-charge shall use data from administrative sources, censuses, statistical surveys or data obtained by observation method for purposes of organization and maintenance of the statistical registers.

### Article 40

The data may not be transmitted to the users in a form and way that can enable the identification of the respective reporting unit.

The Body-in-charge may create samples for the specific statistical surveys upon the special request and at cost of a user.

The sample mentioned in paragraph 2 of this Article may contain the names and addresses of the selected reporting units.

The user, mentioned in paragraph 2 of this Article, shall be bound by the signed contract to use such information explicitly for the specific survey and to destroy the identification data upon its conduct.

The Body-in-charge shall keep record on users mentioned in paragraph 4 of this Article.

The method of recording as in paragraph 5 of this Article, shall be determined by an Act of the Ministry-in-charge.

## IX DISSEMINATION

### Article 41

Producers of statistics shall disseminate compiled (aggregated) statistical data in accordance with conditions and timing specified in the Programme.

The data as in paragraph 1 of this Article shall be equally and at the same time accessible to all users.

### Article 42

Manager of the Body-in-charge shall be obliged to react and announce publicly the correction of any wrong interpretation or misuse of statistical data.

### Article 43

All data obtained through the surveys financed from the Budget of Montenegro are free of charge.

### Article 44

Producers of statistics are obliged to define and update the Data Dissemination Calendar specifying all dates for dissemination, at latest until 20 December of the current year for the next year.

The Calendar mentioned in paragraph 1 of this Article shall be available at the web sites of the producers of statistics and Council.

Any deviation from the timing specified in the Calendar shall be announced and clarified in public.

### Article 45

Statistical data must be explained in a way that will make data understandable.

The users of statistics must note the source of data whenever using them.

#### Article 46

Producers of statistics may provide the data at the special requests of the users.

The costs of the processing mentioned in paragraph 1 of this Article, shall be fully covered by the respective users.

The data as in paragraph 1 of this Article, shall not be considered as statistical results.

#### Article 47

All kinds of data dissemination shall be in accordance with the provisions of this Law related to data confidentiality.

### X CONFIDENTIALITY

#### Article 48

Individual data of physical or legal persons shall be recognized as confidential and considered as official secret.

#### Article 49

The data collected, processed and stored for the statistical purposes shall be considered as confidential in case they may provide direct or indirect identification of any legal or natural person.

Any natural or legal person can be directly identified by its name or address as well as by officially assigned and known identification number.

Indirect identification is any possibility of revealing statistical unit's identity except in cases described in paragraph 2 of this Article.

#### Article 50

The confidential data shall be used explicitly for production of statistics for scientific purposes, in compliance with the provisions of this Law.

The data for which the reporting units have given the consent to be used, shall not be considered as confidential.

#### Article 51

Upon written request and prior approval of the Manager of the Body-in-charge, the producers of statistics may transmit individual statistical data, with no identifiers, to

the scientific & research institutions for the purposes of the scientific & research activities.

The request mentioned in paragraph 1 of this Article must have clearly indicated purpose of use of those statistical data.

The use of statistical data as in paragraph 1 of this Article, shall be regulated by the contract according to which the user shall be obliged, with full legal and financial responsibility, to use statistical data explicitly for the purpose indicated in the request, not to allow accessibility and use of those data to unauthorized persons and to destroy them upon processing.

#### Article 52

Producers of statistics shall keep record on users mentioned in Article 51 of this Law, as well as on purpose for which the statistical data shall have been provided.

The method of recording shall be defined by the Ministry-in-charge.

#### Article 53

Only those persons who are involved in the production of statistics shall have access to confidential data and only within the limits of their statistical production activity.

The persons mentioned in paragraph 1 of this Article must act in compliance with those provisions of the Law that are related to confidentiality and protection of statistical data even upon cessation of their participation in statistical production.

#### Article 54

The statistical results shall not be disseminated to the users if they contain or reveal confidential data.

Aggregates of the business units shall be considered confidential if consisted of at least three units and share of one unit in the aggregate exceeds 85% of the total amount.

As an exception to the paragraph 1 and 2 of this Article, the Body-in-charge may, upon prior opinion of the Council, make decision on the data dissemination in order to protect general public interest.

The reporting units involved in the exception specified in paragraph 3 of this Article shall be timely informed.

#### Article 55

Producers of statistics are obliged, in their line of duty, to take all administrative, technical or organizational measures needed to protect confidential data from illegal and unauthorized access, revelation or use.

## XI INTERNATIONAL STATISTICAL COOPERATION

### Article 56

While fulfilling the international obligations, the producers of statistics shall be obliged to establish cooperation with producers of statistics from other countries and international organizations on the contractual basis related to international cooperation and exchange of statistical data, with obligation to respect and introduce international standards.

All signed contracts shall be submitted for the Council's record.

The method of recording shall be defined by the Ministry-in-charge.

### Article 57

The Body-in-charge shall be responsible for the exchange of the results and methodological basis with other countries and international organizations, unless in certain cases the Council authorizes another producer of statistics or if otherwise provided by a special law.

The Body-in-charge and other producers of statistics may, under conditions described in paragraph 1 of this Article, transmit individual data with no identifiers to the parties mentioned in Article 56 of this Law , provided that those users can ensure the data confidentiality and protection in compliance with the provisions of this Law.

Any data transmission mentioned in paragraph 2 of this Article must be duly recorded together with the name of the country, i.e. international organization to which the data are transmitted.

Producers of statistics shall keep a separate record on requested and approved data transmissions.

Parties mentioned in paragraph 2 of this Article, must give a written statement confirming that the provisions of statistical confidentiality shall be applied to these data and that they shall be used explicitly for statistical purposes.

## XII MONITORING

### Article 58



Monitoring of the implementation of this Law and related by-laws shall be responsibility of the Ministry-in-charge through the Labor Inspection, according to Law.

### XIII PENALTY PROVISIONS

#### Article 59

Legal person, entrepreneur, governmental body or local self-government body shall be liable to a fine of 10 – 300 minimal wages in Montenegro if:

- 1) Does not transmit accurate, consistent and updated data according to the contents, timing and methods defined by the Annual Plan (Article 23), and
- 2) Does not correct or fills in all data in compliance with instructions and timing defined by the producer of statistics (Articles 23 and 24)

For the violation as in paragraph 1, point 1 of this Article, the responsible person of the legal person, governmental body or local self-government body shall be liable to a fine of 1/2 – 20 minimal wages in Montenegro.

For the violation as in paragraph 1, point 1 of this Article, the physical person shall be liable to a fine of 1/2 – 20 minimal wages in Montenegro.

#### Article 60

The legal person, governmental body, local self-government body shall be liable to a fine of 10 – 300 minimal wages in Montenegro, if refuses to provide, free of charge, the data according to the request of the producer of statistics (Article 30).

For the violation as in paragraph 1 of this Article, the responsible person of the governmental body or local self-government body shall be liable to a fine of 1/2 – 20 minimal wages in Montenegro.

#### Article 61

The legal person or governmental body shall be liable to a fine of 10 – 300 minimal wages in Montenegro if:

- 1) Does not destroy identifiers of the reporting units upon having processed and used data for the update of the data registers or data transferred from the administrative sources (Article 32, paragraph 1).
- 2) Does not destroy statistical questionnaires containing data obtained within statistical surveys, immediately upon data entry, coding and processing phases (Article 32, paragraph 2).
- 3) Does not store data organized and coded at the statistical unit level, with no identifiers, for at least 10 years (Article 34, paragraph 1), and
- 4) Disseminates data in a form and method that allow identification of the units the data are referring to. (Article 40, paragraph 1).

For the violation as in paragraph 1 of this Article, the responsible person of legal person or governmental body shall be liable to a fine of 1/2 – 20 minimal wages in Montenegro.

#### XIV TRANSITORY AND FINAL PROVISIONS

##### Article 62

The members of the Council shall be appointed within 30 days following the entry into force of this Law.

##### Article 63

Legal sub-acts necessary for the implementation of this Law shall be adopted within 1 year from the date the Law enters into force.

Until the final adoption of the legal acts mentioned in paragraph 1 of this Article, the actual regulations shall be applicable, unless clashing with the provisions of this Law.

##### Article 64

Until the final adoption of the Programme mentioned in Article 18 of this Law, the actual Programme shall be in effect.

##### Article 65

On the day of the entry into force of this Law, the Law on Statistics (Official Gazette of SRoM: "Sl. List SRCG" no. 6/67) and Law on the system of statistical surveys (Official Gazette of FRY: "Sl. List SRJ" no. 80/94) shall be repealed and rendered null and void.

##### Article 66

This Law shall enter into force on the eighth day upon its publication in the "Official Gazette of the Republic of Montenegro".

#### R A T I O N A L E

##### I Constitutional basis for adoption of this Law

The constitutional basis for adoption of this Law has been defined in Article 12, paragraph 4 of the Constitution of the Republic of Montenegro, according to which all issues of the Republic interest shall be regulated by law.

##### II Reasons for adoption of this Law

Law on statistics and statistical system of Montenegro is prepared with aim to create functional statistical system with clear definition of responsibilities and methods of cooperation.

The fundamental principle of this Law is harmonization of methodologies with EU standards and the following EU acts in force:

- EU Treaty, Part VI – General and final provisions, Article 285 and 286
- Council Regulation (EC) No. 322/97 of 17 February 1997 on Community Statistics, whereas the responsibilities are clearly defined for both national and Community authorities in charge of appliance of the Law regulating statistics;
- Commission Decision of 21 April 1997 on the role of EUROSTAT as regards the production of Community Statistics (97/281/EC);
- Decision No 2367/2002/EC of the European Parliament and of the Council of 16 December 2002 on the Community statistical programme 2003 to 2007;
- Council Decision of 19 June 1989 establishing a Committee on the Statistical Programmes of the European Communities (89/382/EEC)

The general objective of this Law is to satisfy needs of the statistical system in a unique and harmonized way. In addition to this basic objective, the specific priorities for adoption of this Law are: the need for statistical data collection and dissemination in a uniform way, integration into European statistical system, elaboration of the perennial statistical programme in compliance with EU standards in that field, as well as cooperation with other countries and international organizations with regards to these issues.

Such a uniform legislative regulation of this matter shall enable establishing of the procedures for production of objective, reliable, relevant and useful statistical data, that shall be comparable and as such subject to evaluation. At the same time, the bodies and authorities bounded by the Law, shall produce statistical data that might be basis for following transition and reform processes as well as larger availability of the statistical data harmonized with EU standards.

This Law shall establish the fundamental principles that are basis of the modern statistical systems with a special emphasis on a principle of confidentiality with regards to individual data.

### III

Chapter I General Provisions and Definitions (Articles 1 – 4) clearly describes objectives and aims of the Law, explanations and precise definitions of statistical activities, statistical survey, statistical questionnaires, reporting units, statistical unit, identifiers, statistical results, dissemination, statistical registers, etc.

Chapter II Fundamental Principles of the Statistics and Statistical System (Articles 5 – 6) clearly defines the fundamental principles of the statistics and statistical system,

that are: relevance, impartiality, reliability, transparency, timeliness, professional independence, rationality, consistency, publicity, data confidentiality, use of individual data explicitly for statistical purposes.

Chapter III Organization of Statistics and Statistical System (Articles 7 –10) describes key principles of the statistical system, that are: methodological, legal and information consistency.

Article 8 of this chapter determines the authorized bodies for carrying out statistical activities: Administrative body in charge of statistics affairs, Central Bank of Montenegro, Montenegrin Securities Commission, Administrative body in charge of customs affairs, Administrative body in charge of tax system, Administrative body in charge of finances, Central Register of the Commercial Court of Montenegro, Administrative body in charge of development affairs and other bodies authorized by the Programme.

Articles 9 and 10 of this chapter contains the list of basic activities to be carried out by the above-mentioned bodies.

Chapter IV Council of the Statistical System (Articles 11 – 17) contains the provisions specifying the method of establishing the Council, its competence, composition and way of electing its members.

Chapter V Programme of Statistical Surveys (Articles 18 – 21) specifies the provisions on the Programme and Annual Plan, obligatory elements that they must contain, obligation of announcing the Programme and Annual Plan in public, the way of preparing Report on implementation of the Annual Plan, etc.

Chapter VI Data Collection (Articles 22 – 31) specifies the provisions on way of dealing with reporting units during data collection phase, dealing with reporting units if transmitted data are inaccurate, incomplete or out-of-date; the provisions that enable the producers of statistics to sign the contract with a physical or legal person to carry out specific activities related to statistical system; furthermore it specifies the provisions that enable the Administrative body in charge of statistics affairs to access the identification data obtained through the statistical surveys conducted by other producers of statistics, only if those data are needed for their specific area of performance or for evaluation of results' quality, etc.

Chapter VII Data Processing and Protection (Articles 32 – 36) defines the provisions that determine the obligation of the producers of statistics to destroy the identifiers of the reporting unit upon the processing of the collected data or data transmitted from administrative sources and upon their use for updating the statistical registers; the obligation to document and store the data organized and classified at the statistical unit level, with no identifiers, at least for a 10-year period or even more if so provided by a specific law; furthermore it specifies that the Act of the Ministry-in-charge regulates method of storing, period, technique and organization of data storage.

Chapter VIII Statistical Registers (Articles 37 - 40) contains the provisions that authorize Administrative body in charge of statistics affairs to organize and maintain the statistical registers, that are: Business register, Agriculture register, Register of Spatial Units, while the Administrative body in charge of real estate affairs is authorized to keep Register on Dwellings; furthermore it defines the obligation to use

data explicitly for statistical purposes and not to transmit them to the users in a form and method that can allow identification of the respective reporting unit.

Chapter IX Dissemination (Articles 41 – 47) determines that the data dissemination shall be carried out in conditions and timing foreseen by the Programme; that the data shall be accessible to all users at the same time; that the data financed from the Budget of Montenegro are free of charge; determines the obligation that the data must be submitted with complementary explanation that will make data understandable and be of professional assistance during users' interpretation and evaluation.

Chapter X Confidentiality (Articles 48 – 55) contains the provisions according to which the data collected, processed and stored for statistical purposes are considered confidential in case they may directly or indirectly provide identification of any physical or legal person and so reveal the individual data; the provision according to which the producers of statistics may, upon written request, provide statistical data, with no identifiers, to scientific & research institutions for the purposes of scientific & research work.

Chapter XI International Statistical Cooperation (Articles 56 - 57) determines that, while fulfilling the international obligations, the producers of statistics are obliged to establish cooperation with other European countries, respecting and applying international standards and actively participating in the development of statistics at the international level.

Chapter XII Monitoring (Article 58) defines the body in charge of monitoring the implementation of this Law.

Chapter XIII Penalty Provisions (Articles 59 - 61) contains the penalty provisions. Article 59, paragraph 1 determines that any legal person, entrepreneur, governmental body or local self-government body shall be liable to a fine of 10 – 300 minimal wages in Montenegro if fails to transmit the accurate, consistent and updated data according to the contents, timing and methods foreseen by the Annual Plan and fails to correct and update data in compliance with instructions and deadlines determined by the producer of statistics (Articles 23 and 24).

It is also stipulated that the responsible person of the legal person, governmental body or local self-government body shall be liable to a fine of 1/2– 20 minimal wages for the violation as by Article 59, paragraph 1.

In Article 59, paragraph 3 it is stipulated that the physical person shall be liable to a fine of 1/2– 20 minimal wages for the violation of point 1, paragraph 1 of the respective Article.

In Article 60, paragraph 1 it is stipulated that the legal person, governmental body and local self-government body shall be liable to a fine of 10 - 20 minimal wages if fails to transmit the data for use, free of charge, in line with request of producer of statistics (Article 30). In paragraph 2 of the respective Article it is stipulated that the responsible person of legal person, governmental body or local self-government body shall be liable to a fine in case of violation as in paragraph 1 of the same Article.

In Article 61, paragraph 1, it is stipulated that the legal person or governmental body shall be liable to a fine of 10 – 300 minimal wages in Montenegro if does not destroy identifiers of the reporting units upon having processed and used data for the update of the data registers or data transferred from the administrative sources (Article 32, paragraph 1); does not destroy statistical questionnaires containing data obtained within statistical surveys, immediately upon data entry, coding and processing phases (Article 32, paragraph 2); does not store data organized and coded at the statistical unit level, with no identifiers, for at least 10 years (Article 34, paragraph 1); and disseminates data in a form and method that allow identification of the units the data are referring to (Article 40, paragraph 1). In paragraph 2 of the same Article it is stipulated that the responsible person of legal person or governmental body shall be liable to a fine for the violation as in paragraph 1 of the respective Article.

Chapter XIV Transitory and Final Provisions (Articles 61 - 65) contains the provisions according to which the Government shall appoint the members of the Council within 30 days following the entry into force of this Law and that the legal sub-acts shall be adopted within 1 year.

IV Funds from the Budget of Montenegro necessary for the implementation of this Law

No specific funds from the Budget of Montenegro are needed for the implementation of the Law.