

Price index: Producer prices

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0. Prerequisites

<u>0.1 Legal environment</u>	<p>0.1.1 Responsibility for collecting, processing, and disseminating statistics</p> <p>The collection of primary statistical data and the publication of official statistical information is carried out in accordance with Federal Law of November 29, 2007 No 282-FZ “On Official Statistical Accounting and the System of State Statistics in the Russian Federation”.</p> <p>The compilation and dissemination of the data are governed by the terms and conditions of the Statute on the Federal State Statistics Service adopted by Decree of the Government of the Russian Federation on July 2, 2008 No 420.</p> <p>The Federal State Statistics Service (Rosstat) provides official statistical information on social, economic, demographic, environmental and other social processes in the Russian Federation (Article 1 of the Law).</p> <p>Rosstat produces and approves the official statistical methodology in accordance with the established procedure within its competence the federal statistical observations and to form the official statistical information and ensures that the specified methodology complies with international standards and the principles of official statistics (Article 5.2. of the Law).</p> <p>0.1.2 Data exchange and coordination between agencies producing data</p> <p>The Regulation and the Law provide that Rosstat has the right to receive from respondents primary statistical data and administrative data, including those containing information classified as state secrets, commercial secrets, information about taxpayers, personal data of individuals, subject to their mandatory depersonalization, and other information, access to which is restricted by federal laws, in order to generate official statistical information (paragraph 6.1 of the Regulation, article 5, paragraph 9 of the Law).</p> <p>0.1.3 Confidentiality of individual reporters' data</p> <p>Rosstat provides in appropriate way the storage and protection of official, banking, tax, and commercial and other confidential information, received by the Rosstat during its activities (Article 5.16 of the Law).</p>
<u>0.3 Relevance</u>	<p>0.3.1 Monitoring user satisfaction</p> <p>User satisfaction with statistical information provided by Rosstat and the work of Rosstat in general is assessed on an ongoing basis. The results are posted at: https://rosstat.gov.ru/community.</p> <p>Interaction with the reference group of the media is carried out in accordance with the Regulations on the department for interaction with the media and public organizations (Rosstat press service). Interaction with the reference group “International statistical organizations and national statistical services” is carried out in accordance with documents on cooperation and data exchange signed by Rosstat (Goskomstat) with international organizations and documents on cooperation signed by Rosstat (Goskomstat) with national statistical services.</p>
<u>0.4 Quality management</u>	<p>0.4.1 Processes are in place to focus on quality</p> <p>The quality policy in Rosstat is based on the Methodological provisions for the organization of production processes for official statistical information, approved Order of</p>

	<p>Rosstat dated December 7, 2018. No. 732.</p> <p>The document was developed taking into account the principles of official statistical accounting established by the Fundamental Principles of Official Statistics, approved at the 68th session of the UN General Assembly on January 23, 2014, the model for the production of statistical information (version 5.0), prepared by the UNECE High Level Group, as well as international standards for quality assurance of official statistical information.</p>
1. Integrity	
<u>1.1 Professionalism</u>	<p>1.1.2 Choice of data sources, methodology and dissemination methods</p> <p>One of the principles of official statistical accounting is the rational choice of sources in order to form official statistical information to ensure its completeness, reliability and timeliness of provision, as well as in order to reduce the burden on respondents (Article 4 of the Law).</p> <p>Rosstat is developing an official statistical methodology that includes methods for collecting, controlling, editing, summarizing and grouping primary statistical data and administrative data, compiling national accounts, assessing the accuracy of official statistical information and its systematization and on the basis of which official statistical information is formed (Article 7 of the Law).</p> <p>The official statistical methodology must be scientifically based, comply with international standards and principles of official statistics, as well as the legislation of the Russian Federation open and accessible (Article 4 of the Law).</p> <p>Dissemination of official statistical information by Rosstat is carried out by publishing it in official publications, mass media and placement for general and free access on the official website of Rosstat https://rosstat.gov.ru/.</p> <p>1.1.3 Comments on misinterpretation and misuse of statistics</p> <p>In case of misinterpretation or misuse of statistical data Rosstat may send a refutation to the media, which allowed the distortion of official statistical information, for further publication.</p>
<u>1.2 Transparency</u>	<p>1.2.1 Disclosure of terms and conditions for statistical collection, processing, and dissemination</p> <p>The official statistical methodology for organizing statistical monitoring of producer prices for industrial goods and calculating producer price indices is available in open and free access for all users on the official website of Rosstat in the section: Statistics / Official statistics / Prices, inflation / Methodology / Methodology of producer prices.</p> <p>1.2.2 Internal governmental access to statistics prior to release</p> <p>There is no government access to the data before its release.</p> <p>1.2.3 Attribution of statistical products</p> <p>The data are published without ministerial commentary.</p> <p>1.2.4 Advance notice of major changes in methodology, source data, and statistical techniques</p> <p>Announcements and comments about significant changes in the methodology, source data and statistical methods are published on the official website of Rosstat (https://rosstat.gov.ru/folder/462; https://rosstat.gov.ru/publications-plans).</p> <p>Rosstat announces significant changes in methodology, source data, and compilation techniques in advance.</p>
<u>1.3 Ethical standards</u>	<p>1.3.1 Staff Code of Conduct</p> <p>In the performance of their official duties, employees of Rosstat adhere to the standards of conduct established by the Code of Ethics and Official Conduct of Civil Servants of Rosstat.</p> <p>In addition, Federal Law of July 27, 2004 No. 79-FZ "On the State Civil Service of the Russian Federation" establishes the duties of civil servants related to the observance of official behavior (Article 15, Article 18).</p>
2. Methodology	
<u>2.1 Concepts and definitions</u>	<p>2.1.1 Concepts and definitions</p> <p>Producer price index for industrial goods (services) (PPI) – characterizes the change over time in the general level of prices for comparable types of goods (services) with a constant</p>

	<p>structure of shipments.</p> <p>The PPI is calculated for the constituent entities of the Russian Federation, federal districts and the Russian Federation for various base periods (to the previous month, December of the previous year, the corresponding month of the previous year, for the period from the beginning of the year to the corresponding period of the previous year).</p> <p>Producer price indices calculated for representative goods (services) are sequentially aggregated into price indices of the corresponding types, groups, classes, sections of economic activity according to the All-Russian Classifier of Types of Economic Activities OKVED2 (section B "Mining", C "Manufacturing", D " Providing electricity, gas and steam; air conditioning" and E "Water supply; sanitation, organization of waste collection and disposal, pollution elimination activities").</p> <p>Statistical observation data are used as weights on the value volume of shipped goods of own production, work and services performed in-house in actual prices for the base year for a full range of organizations (excluding VAT and excise taxes). The weights for calculating the PPI are revised annually. Information from the year prior to the previous year is used as the base year for the weights.</p> <p>In order to calculate the PPI, information on producer prices is collected from more than 10 thousand organizations for 1,300 representative goods (services), covering more than 29 000 price quotes and tariffs.</p> <p>Actual prices (tariffs) for goods produced are subject to registration and shipped goods (services provided) intended for sale on the domestic market and for export (excluding VAT, excise taxes and other taxes, not included in the cost of production, ex-station of departure). The export price should also not include customs duties and other fees not included in the cost of production.</p>
<p><u>2.2 Scope</u></p>	<p>2.2.1 Scope</p> <p>2.2.1.1 Data Scope</p> <p>By type of economic activity: Groups of production units by type of economic activity (mining, manufacturing, supply of electricity, gas and steam; air conditioning, water supply; sewerage, waste management, pollution remediation activities).</p> <p>Product scope: actual producer prices are recorded for more than 1,200 representative goods (services) selected for observation, intended for sale on the domestic market (excluding VAT, excises and other taxes not included in the cost of production, ex-station of departure).</p> <p>Geographic scope: Price registration is carried out on the territory of all subjects of the Russian Federation in more than 10 thousand organizations.</p> <p>2.2.1.2 Exclusions from scope</p> <p>When registering prices, data on the prices of a one-time sale of goods to "random" consumers with a very low or very high price level are excluded, as not reflecting the real price dynamics.</p>
<p><u>2.3 Classification/sectorization</u></p>	<p>2.3.1 Classification/sectorization</p> <p>Classification: OKPO (All-Russian classifier of enterprises and organizations), OKER (All-Russian classifier of economic regions), OKATO (All-Russian classifier of objects of administrative-territorial division of objects), OKVED2 (All-Russian classifier of types of economic activity), OKPD2 (All-Russian classifier of products by type of economic activity).</p>
<p><u>2.4 Accounting basis</u></p>	<p>2.4.1 Valuation</p> <p>Types of prices: Registration is subject to actual prices for produced and shipped goods (provided services) intended for sale in the domestic market and for export (without VAT, excises and other taxes, not included in the cost of production, ex-station of departure). The export price should also not include customs duties and other fees that are not included in the cost of production.</p> <p>2.4.2 Accounting basis</p> <p>Terms of price observation: Registration of prices for goods (services) for the calculation of the PPI is carried out monthly as of the 22nd day of the reporting month; some changes in price registration dates are made if these days fall on weekends. Price information is not collected on an average monthly basis.</p>

3. Accuracy and reliability

3.1 Source data

3.1.1 Source data collection programs

Sources of weights: The source of weights is statistical observation data on the value of shipped goods of own production, work performed and services performed on their own in actual prices for the base year for a full range of organizations.

Period of current index weights: Information from the year preceding the previous year is used as the base year for the weights.

Frequency of weight updates: the PPI weights are reviewed annually.

Selection of organizations: The selection of organizations is carried out using a combined method: stratified sampling or complete observation of organizations of certain types of economic activity.

Specification of goods/services: Registration of producer prices is carried out for specific brands, varieties and articles of types of goods (specific types of services) representing the product group (group of services) selected for observation.

Sample sizes: Registration of producer prices is carried out in more than 10 thousand organizations. About 29,000 price quotations for goods (services) with specific consumer properties (brand, grade, model, article, and so on) are observed monthly.

Methods of collecting price data: Collection of primary statistical data information on producer prices is carried out electronically on the form of the federal statistical observation form No. 1 - producer prices "Information on prices of producers of industrial goods (services)" (approved by order of Rosstat).

3.3 Statistical techniques

3.3.1 Source data statistical techniques

Computation of lowest level indices: Individual price indexes are calculated by the ratio of the prices of the reporting period to the prices of the previous period.

Aggregation: The Laspeyres formula is used to aggregate the indexes of goods (services) in order to obtain indices by subgroups, groups, subclasses, classes and types of economic activity.

Aggregation structure: Indices of goods (services) are aggregated by commodity groups (groups of services), types of economic activity.

Alignment of expenditure and base period: To ensure comparability of the base period of weights and prices, adjustments are made to the weights (weights in value terms are recalculated in December prices of the previous year).

Linking the index with updated weights to the index of previous years: To ensure comparability of information in two adjacent years, price indices for the previous year are recalculated according to the updated weights applied in the reporting year. This data is only used in the calculation of price indices in relation to the periods of the previous year.

Reference period: For the period when the price index = 100, December of the previous year is taken.

3.3.2 Other statistical procedures

Reflection of missing prices: In the event of a temporary lack of prices, "national" prices are calculated.

Selection of replacement products: In cases where an existing modification is permanently discontinued, it is replaced, if possible, or excluded from calculations in accordance with the current producer price index methodology.

Adjustment for quality difference: Adjustment for quality difference, in cases of replacement of goods, should be made according to the current methodology for calculating producer price indices by adjusting prices.

Introduction of new products: New goods (services) are introduced into the calculation during the period of transition to a new base for calculating price indices and revision of weights.

Seasonal goods: In cases of seasonal disappearance of goods, methods of calculation of "notional" prices are used.

Seasonally Adjusted Indices: Seasonally adjusted producer price indices are not calculated.

Other aspects: Other specifics regarding data sources and practices for constructing producer price indices are described in the "Official Statistical Methodology for the Organization of Statistical Observation of Producer Prices of Industrial Goods and the Calculation of Producer Price Indices".

<u>3.4 Data validation</u>	3.4.1 Validation of intermediate results Verification of prices: To verify the accuracy and reliability of the collected information about prices, methods of controlling input information are used. Verification of processing: To check the correctness of the calculation of data on producer price indices at various stages of data processing, methods are used to control the calculation of indicators and output data.
<u>3.5 Study of data revisions</u>	3.5.1 Study and analysis of data revisions The PPI data may be revised if the respondents clarify the previously provided information.
4. Serviceability	
<u>4.1 Periodicity and timeliness</u>	4.1.1 Periodicity Monthly. 4.1.2 Timeliness Average prices and producer price indices for industrial goods are posted on the official website of Rosstat on the 12th-16th business day after the reporting month.
<u>4.2 Consistency</u>	4.2.3 Consistency across sectors and different areas Presented Industrial producer price index as a whole for the Russian Federation, also by types of economic activity (OKVED2) by sections B, C, D and E as a whole and by the largest classes, subclasses, groups and subgroups of goods, as well as by each subject of the Russian Federation. The data is published in the following publications: <ul style="list-style-type: none"> – Statistical Yearbook of Russia, “Российский статистический ежегодник” (in Russian only); – Prices in Russia, “Цены в России” (in Russian only); – Regions of Russia. Social and Economic Indicators, “Регионы России. Социально-экономические показатели” (in Russian only); – Russia in Figures, “Россия в цифрах” (in Russian and in English); – Industry of Russia, “Промышленность России” (in Russian only). – Information about the IPI also posted monthly on the official website of Rosstat (https://rosstat.gov.ru/statistics/price) and in the Unified Interdepartmental Information and Statistical System (EMISS) (https://fedstat.ru/).
<u>4.3 Revision</u>	4.3.1 Revision schedule The PPI data may be revised if the respondents clarify the previously provided information.
5. Accessibility	
<u>5.1 Data</u>	5.1.1 Statistical representation Data are published on the producer price index, which is calculated using the Laspeyres formula (2010=100) for the Russian Federation as a whole. In addition, monthly producer price indices are published (by the end of the previous month, quarter, year) in general (consolidated) and by type of economic activity (OKVED2) in sections B, C, D and E. The data is published without seasonal adjustment. 5.1.2 Dissemination media and format Annual publications on the Rosstat website: <ul style="list-style-type: none"> – Russian Statistical Yearbook (in Russian only); – Monthly bulletin "Social-economic situation in Russia". 5.1.3 Advance release calendar The release dates are published on the English Rosstat web portal: https://rosstat.gov.ru/publications-plans . A preliminary data release calendar is published monthly on the Rosstat website:

	<p>https://rosstat.gov.ru/statistics/monitoring/sdds/calendar.</p> <p>5.1.4 Simultaneous release The data is simultaneously distributed to all users through the official website of Rosstat: https://rosstat.gov.ru/</p> <p>5.1.5 Provision of data upon request Rosstat provides, at the request of users, summary statistical data (not containing confidential information). Information on average prices and producer price indices for industrial goods (services) is available upon request.</p>
<p><u>5.2 Metadata</u></p>	<p>5.2.1 Dissemination of documentation on concepts, coverage, classifications, accounting basis, data sources and statistical methods Methodology for calculating the industrial producer price index, data on average prices and PPI, on weights for calculating the PPI are available on the official website of Rosstat https://rosstat.gov.ru/statistics/price</p> <p>5.2.2 Level of detail of the disseminated data Data on PPI are published in the context of representative goods (services) to different base periods, as well as for constituent entities of the Russian Federation, federal districts and Russia as a whole.</p>
<p><u>5.3 Assistance to users</u></p>	<p>5.3.1 Dissemination of information on contact points Contact details of Rosstat specialists involved in producer price statistics are available both on the official website of Rosstat and on the websites its territorial bodies.</p>