

MANAGEMENT SUMMARY OF THE AUDIT OF THE CZECH STATISTICAL OFFICE STATISTICS METHODOLOGY

Audited subject: industrial production index

Audited department: Industrial, Construction, and Energy Statistics Department

Audit took place: October 2013 – March 2014

AUDIT TEAM MEMBERS:

Jakub Fischer (University of Economics, Prague) – team leader

Stanislava Hronová (University of Economics, Prague)

Josef Plandor (Ministry of Industry and Trade)

Miroslav Mejdr (CZSO, Prices Statistics Department)

Ivan Neumaier (Ministry of Industry and Trade)

Ludvík Vala (Steel Federation)

Jaroslav Vomastek (Ministry of Industry and Trade)

Jan Zeman (University of Economics, Prague)

MAIN AUDIT CONCLUSIONS:

Based on the audit of the methodology, the audit team:

- 1) stated that most recommendations from the previous audit made in 2004 were reflected and implemented in the current practice of industrial production index compilation;
- 2) stated that Eurostat requirements and methodological recommendations are met by the CZSO – both deadlines for data transmission to Eurostat as well as methodological descriptions of indicators and ways they are implemented in practice;
- 3) stated that the industrial production index on the level of individual divisions of the CZ-NACE classification approximates sales of industrial producers from industrial activity more than the gross value added, although the weighting scheme results from the structure of the gross value added; on the level of industry in total (B+C+D), however, development of the industrial production index is coherent also with development of the gross value added.

MAIN AUDIT RECOMMENDATIONS:

Based on the audit of the methodology, the audit team recommended:

- 1) to substantially extend the current methodology for calculation of the industrial production index published at the CZSO website and in relation to that it suggested in general to the CZSO management to determine a minimum scope of methodological descriptions of respective indicators that are part of news releases;
- 2) to better arrange and enhance quality of some graphic outputs for users in the area of the industrial production index presented on the CZSO website;
- 3) to the audited department to make a more detailed analysis of an impact of an influence of non-profiling of kind-of-activity units on the results of short-term statistics in the area of industry.

RESPONSE OF THE AUDITED DEPARTMENT:

Recommendations of the audit team have been fully accepted and implemented.