

METHODOLOGICAL NOTES

Population

Population estimates as of the beginning of year (period) in years between censuses are made on the basis of the most recent population census results, taking account of the current registration of demographic events.

Resident population are persons permanently resident in a particular area as well as foreign nationals and persons without citizenship temporarily resident in this area for more than one year.

Vital statistics is an accepted demographic designation of the birth, death, marriage and divorce processes.

Crude birth rate is calculated as a ratio between the number of live births in a period and the average population in a period. It is expressed as per mille (‰) and shows the number of births per 1000 population.

Crude death rate is calculated as a ratio between the number of deaths in a period and the average population in a period. It is expressed as per mille (‰) and shows the number of deaths per 1000 population.

Natural increase, decrease (-) rate is calculated as the difference between crude birth and death rates.

Crude marriage rate is a ratio between the number of marriages in a period and the average population in a period. It is expressed as per mille (‰) and shows the number of marriages per 1000 population.

Crude divorce rate is calculated as a ratio between the number of dissolved marriages in a period and the average population in a period. It is expressed as per mille (‰) and shows the number of dissolved marriages per 1000 population.

Infant mortality rate is defined as a ratio of the number of deaths under one year to the total number of births. It is expressed as per mille (‰) (per 1000 live births)

Migration is a physical movement of humans from one area to another related to the changing of the place of residence.

Number of arrivals is the number of persons who arrived in a particular area from another area in a reference period.

Number of departures is the number of persons who left a particular area for another area in a reference period.

Migration gain is equal to the difference between the numbers of arrivals and departures in a definite period of time. Migration gain may have a positive value if the number of arrivals exceeds that of departures, or a negative one (migration loss) if the number of departures exceeds that of arrivals.

Employment and unemployment

Number employed population are persons working under employment agreements (contracts) and civil law agreements, for whom this work is the only one; individual entrepreneurs; persons providing services in agro-ecotourism sector or carrying out crafts activities; persons doing work (helping) in organization, the owner (member) of which is a related person; persons engaged in personal subsidiary plots with market-oriented farming, for whom this work is the primary one.

Unemployed registered with agencies for labour, employment and social protection are defined as individuals at working age, permanently resident in the Republic of Belarus and having no work or earnings, who are registered with agencies for labour employment and social protection at the place of their permanent residence for job search, are seeking job and are available for work.

Registered unemployment rate is defined as a ratio between the number of unemployed registered with agencies for labour, employment and social protection, and the number of economically active population (employed and unemployed registered with agencies for labour, employment and social protection).

Standard of living

Incomes of population comprise compensation of labour, incomes from entrepreneurial and other income-generating activities, transfers to population (pensions, benefits, scholarships and other transfers to population), property incomes (interest on deposits, dividends and other property incomes) and other incomes (returns from sales of agricultural produce) other incomes.

Disposable money incomes of population are money incomes of population less taxes, fees and duties.

Real disposable money income of population is a relative measure calculated by dividing the nominal growth rates of disposable money incomes of population by consumer price index of goods and services in a corresponding time period.

Per capita money income is calculated by dividing the total money income of population by the average annual population.

Nominal gross average monthly wages and salaries are calculated by dividing the accrued wage fund including income tax and compulsory insurance contribution of employee by the average payroll number of employees and by the number of months in a period.

Real wages characterize the purchasing power of wages and salaries in the reference period as related to price changes of consumer goods and services as compared with the base period. For this, real wage index is calculated by dividing the nominal gross wages and salaries index by the consumer price index for the same time period.

Average pension size is defined by dividing the total amount of pensions granted by the number of pensioners.

Real monthly pensions characterize the purchasing power of pensions granted in the reference period as related to the price changes of consumer goods and services in comparison with the base period. For this, real pension index is calculated by dividing the average pension index by the consumer price index for the same time period.

Gross domestic product

Gross domestic product (GDP) is a generalizing indicator of the economic activity of country. GDP can be calculated with three methods: from production side, from the use side, and through sources of income.

GDP is calculated at current prices (nominal GDP) and constant prices (real GDP).

GDP deflator index is a ratio of GDP at current prices to GDP at constant prices of the preceding (corresponding) period. Unlike price index of goods and services, the GDP deflator reflects changes in the compensation of labour, profit (including mixed income) and consumption of fixed capital as a result of price changes as well as the nominal net taxes.

GDP calculated with production method is a sum of gross values added of all economic activities plus net taxes on products (taxes on products less subsidies on products). Gross value added is defined as the difference between the value of goods and services produced (output) and the value of goods and services fully consumed in the process of production (intermediate consumption).

GDP compilation **by the source of income** reflects primary incomes received by units, which directly participate in production, as well as state organizations and non-profit organizations providing services to households. In this account the balancing item is gross operating surplus and gross mixed income, which are defined as the difference between gross domestic product, calculated with production method, compensation of employees and net taxes on production and imports.

The method of **constructing GDP through sources of income** allows to identify the structure of GDP in terms of primary incomes, i.e. compensation of employees, taxes on production, gross operating surplus of the economy and gross mixed income.

Compensation of employees is defined as the total remuneration, in cash or in kind, payable by employer to employee for work done during the accounting period. It is recorded on the basis of accrued amounts i.e. without deduction of taxes and other deductions according to the legislation of the Republic of Belarus. Compensation of employees reflects remuneration of all employees of resident organizations irrespective of employees being not only residents or but also non-residents.

Taxes on production and import include taxes on products and other taxes on production.

Taxes on products are taxes charged proportionally to the quantity or value of goods and services produced and sold or imported by resident units. These refer to value added tax, excise taxes, taxes and duties on selected economic activities, customs dues, import/ export customs duties, etc.

Term “net” means that taxes on products are shown with the deduction of subsidies on products.

Other taxes on production are taxes related to the use of factors of production (land, assets, labour force) as well as state duty for a special license to carry out selected activities or other compulsory payments, which are necessary for carrying out residents activities. Other taxes on production consist of immovable property tax on construction in progress; land tax for organizations; immovable property tax payable by organizations, special charges and duties; environmental tax, and tax on extraction / withdrawal of natural resources.

Gross operating surplus is the part of gross value added which remains with producers after deducting the outlays related to the compensation of employees and taxes on production and import. Surplus resulted from operating activity of the organizations owned by households is referred to as **gross mixed income** because it comprises labour remuneration component which is inseparable from the owner's income.

GDP from the use side represents a sum of final consumption expenditures of households, general government and non-profit institutions serving households, gross capital formation and net exports (less imports) of goods and services.

Household final consumption expenditure consists of expenditures incurred by households on consumer goods and services to meet personal needs.

Final consumption expenditures of state organizations consist of expenditures of state organizations on individual goods and services and expenditures of state organizations on collective services.

Final consumption expenditures of state organizations on individual goods and services consist of expenditures of state organizations on consumer goods and services used for an individual consumption. Such kind of expenditures are financed from budget.

Final consumption expenditures of state organizations on collective services. This indicator differs from the foregoing by the services taken into account are financed from budget and provided by organizations which do not meet the needs of selected households, but the needs of community as a whole or selected groups of population (defense expenditures, administrative expenditures, road facilities, scientific activities).

Final consumption expenditures of non-profit organizations serving households are defined as expenditures of public organizations on consumer goods and services provided to household free of charge, including services provided by organizations themselves to their employees in the sphere of health care, education, culture.

Gross fixed capital formation shows the net acquisition by resident units of goods and services produced or imported in the current period, but not consumed in it.

Net export of goods and services is defined as the difference between exports and imports of goods and services in value terms, and includes the turnover of Belarusian trade with foreign countries including CIS-countries.

Industry

Volume of industrial production measures the total volume of finished and semi-finished goods produced, work done and services provided by the personnel of organization to be sold to (ordered by) other organizations, population, non-production units of the same organization and are, according to the All-state Classification of Economic Activities, classified under Mining and Quarrying, Manufacturing, and Production and Distribution of Electricity, Gas and Water activities.

The total volume of industrial production includes data on the volumes of industrial production of legal persons (small business entities, large and medium-sized organizations) producing goods (works, services) in mining and quarrying, manufacturing, and production and distribution of electricity, gas and water.

Index of industrial production is a relative measure of changes in the quantity of items produced in the periods under comparison. The index of industrial production is computed using the production dynamics of representative goods and is based on the calculation of individual production indices of specific industrial products with their further step-by-step aggregation into production indices by kinds of economic activity and the index for the industry as a whole. The structure of gross value added by kinds of economic activity for a base year is used here as weights.

Industrial production in physical terms is defined as total kinds, types and brands of industrial commodities. It is recorded according to the specific nomenclature and in corresponding units of measurement. Data on industrial production in physical terms are shown on the basis of gross output, i.e. including products used within organizations for own industrial and production needs as well as manufactured under contracts from materials supplied by customers.

Agriculture

Agricultural production is the total value of material goods and services created in the sector both for sale and for own consumption. Agricultural production consists of the value of animal husbandry and plant-growing outputs produced in farms of all types, and the value of unfinished plant-growing production.

Farms of all types include the following:

agricultural organizations are defined as legal persons, separate subdivisions of legal persons with separate balance carrying out agricultural activities;

private (peasant) farms;

subsidiary household plots.

Volume index of agricultural production is a comparative indicator characterizing changes in the volumes of agricultural production at constant prices in comparison periods.

Gross harvest of agricultural crops is the volume of (actually harvested) production obtained from the total sown area under agricultural crops by types. Gross harvest of potatoes, sugar beet, flax, vegetables, root crops and other agricultural crops is shown in initially recorded (physical) weight, and weight after treatment for grain crops.

Yield capacity of agricultural crops characterizes average harvest of agricultural products per unit of actually harvested area (per hectare).

Livestock and poultry population is a number of the most widespread farm animals: cattle, pigs, sheep, goats, horses and others as well as poultry of all types.

Sales of livestock and poultry for slaughter (live weight) are sales livestock and poultry for slaughter through all channels of distribution, i.e. meat processing organizations and cold storage facilities; auxiliary production units of organizations; organizations of consumer cooperation; outputted or sold through public catering system; sold on markets and through other sales outlets.

Production of milk is defined as amount of actually collected milk including milk used for in-house needs. The volume of milk production does not include milk consumed by nursing calves, as well as milk purchased from population and other organizations.

Production of eggs is defined as the collection of eggs from all kinds of poultry, including eggs used for reproduction of poultry (brooding), production of egg powder and other, as well as loss of eggs (breakage, spoiling and etc.).

Fixed capital investment and construction

Fixed capital investment represents total costs directed to acquisition, replacement and creation of new fixed assets. Fixed capital investment data include investment activities of small business entities that are legal persons. According to the technological structure, fixed capital investment is classified into the following work activities and costs: building and assembly; assembly of equipment; acquisition costs of machinery, equipment, transport, gear and equipment; other work activities and costs.

Fixed capital investment out of foreign sources consists of foreign investment in fixed capital and investment in fixed capital out of credits within the framework of foreign credit lines.

Foreign fixed capital investment refers to funds received by organizations from abroad directly from foreign investors, including funds disbursed as foreign gratuitous aid by non-residents of the Republic of Belarus; equipment received from abroad under leasing agreements under the terms of lease purchase; contributions to the authorized capital of organizations made by foreign investors in the form of immovable property or equipment, part of undistributed net profits of a foreign investor reinvested in the objects of investment activities (on purchasing, reproduction and creation of new fixed assets) and credits (loans) of foreign banks (credits (loans) extended by indirect investors under direct agreements, against the guarantee of the Government of the Republic of Belarus, against bank guarantee, on mortgage, recognizance or under other terms, i.e. credits (loans), liabilities to non-residents under which are recorded on the balance-sheets of organizations).

Credits on foreign lines of credit are bank credits within the framework of foreign credit lines received by organizations through the banks of the Republic of Belarus from non-resident banks to implement investment projects.

Volume index of fixed capital investment is a relative statistical measure defined as the ratio of fixed capital investment in the reference period to base period at constant prices.

Commissioning of residential buildings in terms of total floor space includes total floor space of apartments of residential buildings, residence halls and living quarters in other buildings intended for private habitation, or to be used as work-related living quarters, and are subject to inclusion in the housing stock upon commissioning.

Total floor space of residential buildings is defined as a sum of total floor spaces of apartments in this buildings. Total floor space of apartments comprises the sum of floor spaces of habitable rooms, auxiliary rooms, built-in closets, as well as summer rooms (loggias, balconies, verandahs, terraces), and cold store-rooms, to which corresponding reduction factors are applied.

Transport and communications

Freight transported (volume of freight transportations) is the amounts, in tonnes, of cargoes carried by rail, motor road, air and inland water, and pipeline transport.

Freight turnover in transport is the volume of transport operation of cargo carriage. The unit of measurement here is tonne-kilometre, i.e. carriage of one tonne of cargo to the distance of one kilometer. It is calculated by summing up weight, in tonnes, of each consignment multiplied by the distance in kilometers.

Passengers transported (volume of passenger transportations) is the number of passengers transported over a specified period of time. Data on passenger transportations include passengers enjoying the right to free-fare travel. For rail and motor road transport, the number of passengers is defined at the time of ticket purchase; for water and air transport, it is specified at the time of carrier departure.

Passenger turnover in transport is the volume of transport operation of passenger conveyance. The unit of measurement here is passenger-kilometre, i.e. the conveyance of a passenger to the distance of one kilometer. It is measured by summing up the number of passengers for each transportation multiplied by the distance in kilometers.

Transportation of products is defined as the activity for transferring of products from the point of origin of the supplier to the point of destination for a consumer.

Pipeline transport turnover is a volume of work to transport oil, oil products and gas via main pipelines. It is defined as a sum of productions of volumes of production (oil, oil products and gas) accepted at the border of the Republic of Belarus in gross tones (cubic metres) and of transportation distance in the territory of the Republic of Belarus to a filling point, oil depot, oil refinery, gas distribution system.

Revenues from communications services are revenues accrued for the total postal, courier and telecommunications services provided. These include revenues from communications services supplied to legal entities, individual entrepreneurs and individuals.

Consumer market

Retail turnover of trade through all sales channels is the sum of retail turnover of trade and retail turnover at markets and in shopping centres.

Retail turnover of trade is the value of goods sold to population by trade organizations through retail (trade) network or by organizations carrying out other activities, with cash paid through its own pay-office, for personal consumption or domestic use.

Retail turnover at markets and in shopping centres is the value of consumer goods sold to population at markets and in shopping centres for personal consumption or domestic use. It is measured using sample statistical survey results.

Retail turnover of public catering is defined as the value of own culinary products as well as purchased goods sold to population for cash through all trade outlets of public catering (restaurants, cafes, bars, canteens and others) mainly, for consumption on-the-spot without cooking, and also sold to legal persons and individual entrepreneurs for cash and non-cash payments for the organization of catering of different categories of population.

Volume index of retail turnover of trade and public catering is a relative measure of dynamics expressed in percent. It characterizes changes in turnover over time assuming the prices in the reference period had not changed as compared with the base period.

Volume of paid services for population reflects the volume of different types of services consumed by the population and is measured in terms of total money amounts paid by individuals for services supplied or by their employers (from profits).

Prices and tariffs

Consumer price index is one of the measures of inflation characterizing changes over time of the value of fixed consumption basket of goods and services purchased by population.

Industrial producer price index reflects price dynamics of domestically produced industrial goods (services) shipped to the domestic market. Industrial producer price index is calculated on the basis recorded prices of representative goods in the sampled network of basic (reference) organizations which are the most typical for the country's industry and which to the highest extent reflect its current structure.

Price index in construction characterizes price changes of material and technical resources used in investment activities related to investment in fixed capital. Price index in construction is calculated by the Ministry of Architecture and Construction of the Republic of Belarus on the basis of the aggregate price index of building and

assembly work activities taking account of price index of assembly and installation of technological equipment, aggregate price index of equipment, and price index of other work and costs, these indices being weighted according to the share of components of technological structure of fixed capital investment.

Freight tariff indices allow to measure changes over time in tariffs of freight transportation. A representative service tariff is recorded for each mode of transport. A representative service of freight transportation by different modes of transport means the carriage of one tonne of the most bulk cargo to the specified distance.

Tariff index of communications services for legal persons and individual entrepreneurs characterizes general changes over time in tariffs of postal and telecommunication services for different user groups.

Agricultural producer price index measures price changes of selected domestically produced agricultural products sold on the domestic market. Agricultural producer price index excludes value-added tax, and transportation and handling costs, and includes allowances and discounts for quality.

Foreign investment

Foreign investment is investment made by foreign investors. This can be classified into direct, portfolio, and other investment.

Foreign direct investment is investment made by direct investors whose equity position is at least 10 percent of shares and/ or stocks in the statutory fund of organization.

Foreign portfolio investment is investment in the form of shares and equities making up less than 10 percent of the statutory fund of organisation, promissory notes (except commodity-backed) and other debt securities

Other foreign investment comprise credits and loans and financial leasing, accounts and deposits

Net foreign direct investment (excluding liabilities to direct investor for goods, works and services) is the amount of net foreign direct investment (excluding liabilities to direct investor for goods, works and services) in the real sector of the economy, banking sector, and acquisition of real estate from residents of the Republic of Belarus by non-residents.

Foreign direct investment (excluding liabilities to direct investor for goods (works, services)) in real sector of the economy are calculated as the inflow of foreign direct investment (excluding liabilities to direct investor for goods (works, services)) less foreign direct investment withdrawn (excluding liabilities to direct investor for goods (works, services)); the value obtained is adjusted for organizations whose capital stock (shares in the statutory fund) was owned by the government and was sold to non-residents of the Republic of Belarus.

Foreign trade

Data on foreign trade in goods and services for the periods are compiled by the National Bank of the Republic of Belarus in compliance with the sixth edition of the Balance of Payments and International Investment Position Manual (IMF 2008).

The National Statistical Committee of the Republic of Belarus compiled statistical data on **foreign trade in goods** in compliance with the Methodology for the compilation of statistical indicators of foreign trade in goods of the Republic of Belarus approved by the regulation of the National Statistical Committee of the Republic of

Belarus No. 339 of December 30, 2011. The data are compiled on the basis of declarations on goods, statistical declarations, state statistical reports, and estimated data. Data on the imports of oil, gas condensate, electricity; data on the exports of oil, gas condensate, electricity, caprolactam, nitrogenous and potassium fertilizers; and the data on exports and imports of bunker fuel used for aircraft are compiled on the basis of state statistical reports. Exports and imports of selected commodities not covered by customs statistics are estimated with the balance method using the data of the sample household living standards survey and other sources. Besides, the volume of foreign trade includes data of the State Customs Committee of the Republic of Belarus on the imports of transport vehicles by individuals for personal use.

Exports reflect outflow of goods from the territory of the Republic of Belarus, which subtracts from the stocks of material resources of the country; **imports** show the inflow of goods to the territory of the Republic of Belarus, which adds to the stocks of material resources of the country.

Volume of foreign trade in goods (turnover) is calculated as the sum of values of commodity exports and imports; balance of foreign trade in goods is the difference between the commodity export and import values.

Geographic distribution of exports and is made according to the country of destination and the country of origin respectively. If the country of origin or dispatch is the Customs Union member state and Common economic space, the imports are recorded by the country of dispatch.

Unit value indices of commodity exports/ imports measure changes in price level of exported/ imported goods in the reference period as compared with the base period.

Volume indices of commodity exports/ imports are changes in the volumes of exports/ imports of commodities assuming that the prices of the reference period did not change as compared with the base period.

To calculate average price indices and volume indices of commodity exports/ imports, the Laspeyres and Paasche formulas are employed, on the basis of which indices are then calculated using the Fisher's formula.

Purchasing power index of exports is calculated as the index of price terms of trade multiplied by the volume index of exports and characterizes how many times more/ less goods can be imported to the amount of export revenues in the current period as compared with the base period taking account of changes in the volume of export goods deliveries.