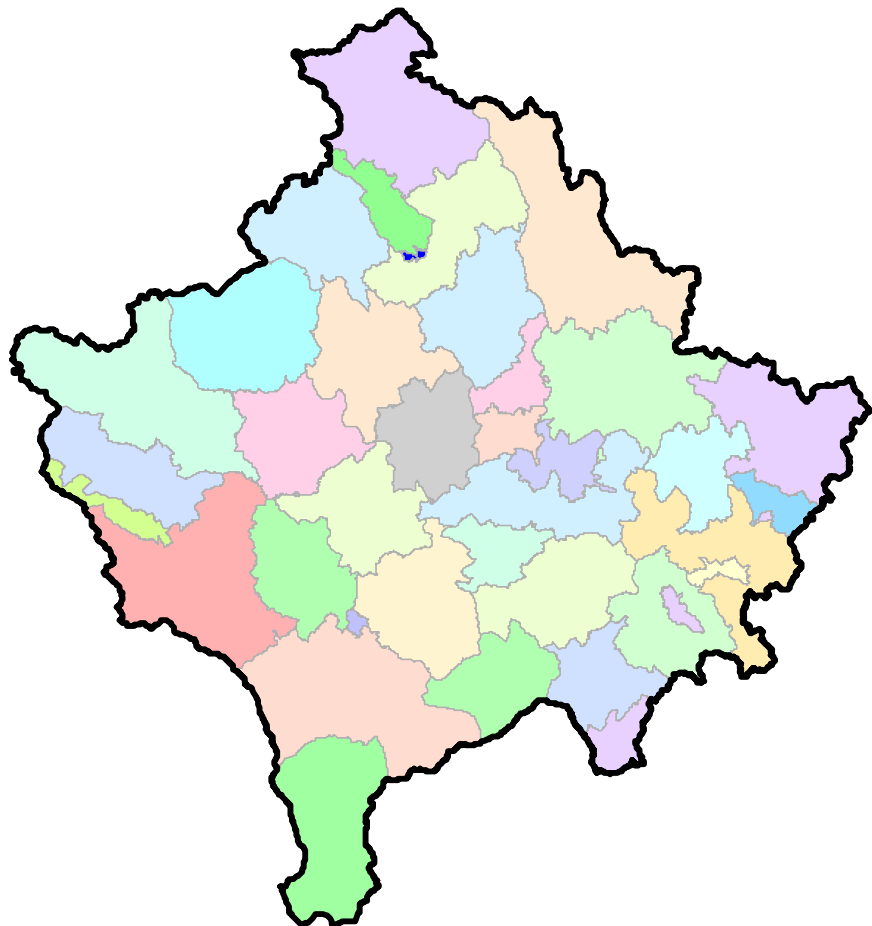




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*Agjencia e Statistikave të Kosovës - Agencija za Statistike Kosova - Kosovo Agency of Statistics*

## Series 3: Economic Statistics

### Import Price Index Q3 2019



AGJENCIA E STATISTIKAVE TË KOSOVËS  
AGENCIJA ZA STATISTIKE KOSOVA  
KOSOVO AGENCY OF STATISTICS

## Foreword

Kosovo Agency of Statistics (KAS), the Department of Economic Statistics has started to publish the Import Price Index (IMPI) in June 2009. Import prices started to be collected at the beginning of 2006. Prices are collected on a quarterly basis and cover the most representative import companies which were active in most municipalities for the first quarter of 2006 - the third quarter 2019.

The publication contains the Kosovo Import Price Index table on a quarterly basis, Q1 2006 to Q3 2019, annual average for 2006 - 2018 (2010 = 100) with quarterly and annual percentage changes, with graphs presentation, weight charts, quarterly index for Q3 2019, quarterly changes (Q2 2019 – Q3 2019) and annual changes (Q3 2018 – Q3 2019) for sectors according to the Harmonized System.

IMPI has been prepared in accordance with European standards and methodologies and in cooperation with experts from Swedish Statistics and Swedish Agency for International Development Cooperation (SIDA). IMPI is under development and in the future more price observations will be added.

Comments, remarks, and suggestions regarding this publication are welcomed and they are sent to the e-mail: [ekonomik@ks-gov.net](mailto:ekonomik@ks-gov.net)

Publication was prepared by:

Ilir T Berisha - Director of Department,  
Ibish Asllani - Head of Price Statistics Division  
Hamdi Jupolli - Head of Sector

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Chief Executive Officer, KAS  
Isa Krasniqi

## Symbols and abbreviations

IMPI - Import Price Index

WCO - World Customs Organization

KAS - Kosovo Agency of Statistics

Q1 - Quarter 1

Q2 - Quarter 2

Q3 - Quarter 3

Q4 - Quarter 4

: - Figure not available

0 - Less than half the unit used

- - Not applicable

% - Percentage

W - Statistical weight

Ø - Average

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## **Import Price Index (IMPI) for the third quarter 2019**

The total import price index in Kosovo decreased by -0.9 % in Q3 2019 compared to Q2 2019. Compared with Q3 2018, import prices rose to an average of 2.1 %.

### **Second quarter 2019 – third quarter 2019 -0.9 %**

Import prices in Kosovo decreased to an average of -0.9 % in Q3 2019 compared to Q2 2019. The highest decreases in prices by sectors was leather and articles thereof (-10.1 %), mineral products (-4.0 %), textile and textile articles (-3.4 %), plastics, rubber and articles thereof (-2.0 %), optical, photo, measuring, medical & musical instruments, & timepieces (-2.0 %), transport means (-0.9 %), machinery and electrical appliances (-0.7 %), wood and articles thereof (-0.3 %), products of chemical industries (-0.3 %), edible oil (-0.3 %), metals and articles of base metals (-0.2 %), and miscellaneous manufactured articles (-0.2 %).

The decreases was counteracted mainly by increase of prices of vegetable products (2.9 %), live animals; animal products (0.5 %), footwear (0.4 %) and stone, plaster, ceramic products and glass (0.1 %).

### **Third quarter 2018 – Third quarter 2019 2.1 %**

Import prices in Kosovo increased by an average 2.1 % between the Q3 2018 and the Q3 2019. The largest increases by sectors were by vegetable products (22.4 %), live animals; animal products (11.5 %), leather and articles thereof (11.1 %), mineral products (8.3 %), miscellaneous manufactured articles (6.7 %), stone, plaster, ceramic products and glass (1.6 %), footwear (1.1 %), metals and articles of base metals (1.0 %), paper and articles thereof (0.5 %), products of chemical industries (0.4 %) and plastics, rubber and articles thereof (0.2 %).

The increase was counteracted mainly by decreases of prices of optical, photo, measuring, medical & musical instruments, & timepieces (16.4 %), textile and textile articles (-12.4 %), machinery and electrical appliances (-2.4 %), edible oil (-1.8 %), prepared foodstuffs, beverages and tobacco (-0.1 %) and wood and articles thereof (-0.1 %).

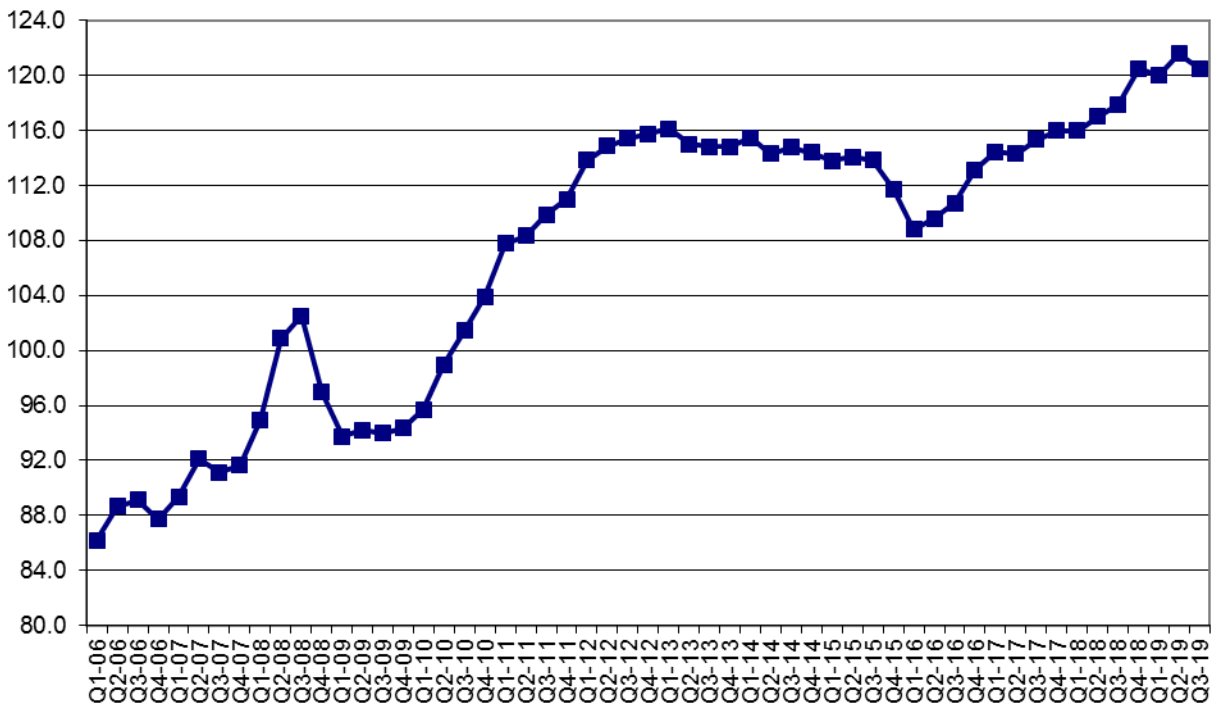
**Table 1: Import Price Index (IMPI), First quarter 2006 – Third quarter 2019 (2010=100), quarterly and annual changes in percentage**

Quarter	Quarter	Index (2010 = 100)	Quarterly change in per cent	Annual change in per cent
2006	Q 1	86.2	:	:
	Q 2	88.7	2.9	:
	Q 3	89.1	0.5	:
	Q 4	87.7	-1.6	:
	<b>Annual average 2006</b>	<b>87.9</b>	:	:
2007	Q 1	89.4	1.9	3.7
	Q 2	92.1	3.1	3.9
	Q 3	91.1	-1.1	2.2
	Q 4	91.6	0.6	4.5
	<b>Annual average 2007</b>	<b>91.1</b>	:	<b>3.6</b>
2008	Q 1	95.0	3.6	6.3
	Q 2	100.9	6.2	9.5
	Q 3	102.5	1.6	12.5
	Q 4	96.9	-5.4	5.8
	<b>Annual average 2008</b>	<b>98.8</b>	:	<b>8.5</b>
2009	Q 1	93.7	-3.3	-1.3
	Q 2	94.2	0.5	-6.6
	Q 3	94.0	-0.2	-8.3
	Q 4	94.3	0.4	-2.7
	<b>Annual average 2009</b>	<b>94.1</b>	:	<b>-4.8</b>
2010	Q 1	95.7	1.5	2.1
	Q 2	99.0	3.4	5.1
	Q 3	101.4	2.5	7.9
	Q 4	103.9	2.5	10.2
	<b>Annual average 2010</b>	<b>100.0</b>	:	<b>6.3</b>
2011	Q 1	107.8	3.7	12.6
	Q 2	108.4	0.5	9.5
	Q 3	109.9	1.4	8.3
	Q 4	111.0	1.0	6.8
	<b>Annual average 2011</b>	<b>109.3</b>	:	<b>9.3</b>
2012	Q 1	113.9	2.6	5.6
	Q 2	114.9	0.9	6.0
	Q 3	115.4	0.5	5.0
	Q 4	115.8	0.3	4.3
	<b>Annual average 2012</b>	<b>115.0</b>	:	<b>5.2</b>
2013	Q 1	116.1	0.3	2.0
	Q 2	115.0	-1.0	0.1
	Q 3	114.8	-0.1	-0.5
	Q 4	114.8	0.0	-0.8
	<b>Annual average 2013</b>	<b>115.2</b>	:	<b>0.2</b>
2014	Q 1	115.5	0.6	-0.6
	Q 2	114.3	-1.0	-0.6
	Q 3	114.8	0.5	0.0
	Q 4	114.4	-0.4	-0.3
	<b>Annual average 2014</b>	<b>114.7</b>	:	<b>-0.4</b>

**Table 1: Import Price Index (IMPI), First quarter 2006 – Third quarter 2019 (2010=100), quarterly and annual changes in percentage**

Quarter	Quarter	Index (2010 = 100)	Quarterly change in per cent	Annual change in per cent
2015	Q 1	113,8	-0,5	-1,4
	Q 2	114,1	0,3	-0,2
	Q 3	113,9	-0,2	-0,8
	Q 4	111,8	-1,8	-2,3
	<b>Annual average 2015</b>	<b>113,4</b>	<b>:</b>	<b>-1,2</b>
2016	Q 1	108,8	-2,6	-4,4
	Q 2	109,6	0,7	-3,9
	Q 3	110,7	1,0	-2,8
	Q 4	113,2	2,2	1,3
	<b>Annual average 2016</b>	<b>110,6</b>	<b>:</b>	<b>-2,5</b>
2017	Q 1	114,4	1,1	5,2
	Q 2	114,3	-0,1	4,3
	Q 3	115,3	0,9	4,2
	Q 4	116,0	0,6	2,5
	<b>Annual average 2017</b>	<b>115,0</b>	<b>:</b>	<b>4,0</b>
2018	Q 1	116,0	0,0	1,4
	Q 2	117,0	0,9	2,4
	Q 3	117,9	0,8	2,3
	Q 4	120,5	2,2	3,9
	<b>Annual average 2018</b>	<b>117,9</b>	<b>:</b>	<b>2,5</b>
2019	Q 1	120,0	-0,4	3,5
	Q 2	121,6	1,3	3,9
	Q 3	120,5	-0,9	2,1

Graph 1: IMPI development, Q1 2006 – Q3 2019 (2010=100)





**Table 2: Weight, index numbers, monthly and annual changes in percentage by sector according to Harmonised System (HS)**

Code	Group	Weight	Q3 - 2019	Q3 - 2019	Q3 - 2019
			2010=100	Q2 - 2018	Q3 - 2018
<b>01-21</b>	<b>TOTAL IMPI</b>	<b>1000</b>	<b>120,5</b>	<b>-0,9</b>	<b>2,1</b>
01	Live animals; animal products	38	137,6	0,5	11,5
02	Vegetable products	50	199,8	2,9	22,4
03	Edible oils	10	149,9	-0,3	-1,8
04	Prepared foodstuffs, beverages, and tobacco	131	111,2	0,0	-0,1
05	Mineral products	147	144,3	-4,0	8,3
06	Products of chemical industries	80	110,3	-0,3	0,4
07	Plastics, rubber and articles thereof	64	119,6	-2,0	0,2
08	Leather and articles thereof	2	114,2	-10,1	11,1
09	Wood and articles thereof	26	129,5	-0,3	-0,1
10	Paper and articles thereof	16	102,5	0,2	0,5
11	Textile and textile articles	44	96,6	-3,4	-12,4
12	Footwear	12	135,2	0,4	1,1
13	Articles of stone, plaster, ceramic products and glass	34	116,0	0,1	1,6
14	Pearls, precious stones, metals etc.	:	:	:	:
15	Base metals and articles of base metals	100	105,8	-0,2	1,0
16	Machinery appliances and electrical appliances	118	104,0	-0,7	-2,4
17	Transport means	88	112,3	-0,9	0,1
18	Optical, photo, measuring, medical & musical instruments, & timepieces	10	93,8	-2,0	-16,4
19	Arms and ammunition	:	:	:	:
20	Miscellaneous manufactured articles	28	120,0	-0,2	6,7
21	Works of art	:	:	:	:

## Methodology

Prices are collected on a quarterly basis in 7 regional centers in Kosovo: Gjakova, Gjilan, Mitrovica, Peja, Prizren, Prishtina and Ferizaj covering the most representative import companies that were active in most of the municipalities.

Starting from the first quarter of 2006, prices were collected on a quarterly basis for around 180 items from seventy companies. During 2006 many new price estimates increased and for the period 2007-2008 the number of collected prices was around 250. From 2009 the number of collected prices was around 300, and since 2015 the number of prices is over 500 items.

The results are presented in accordance with the Harmonized System of the World Customs Organization (WCO).

Price data are collected for a sample of typical transactions related to imported goods in Kosovo.

### Sampling and calculation of weights

The sample was drawn from external trade data. These data are also used for calculating specific weights. Weights are based on information from trade data Y-1 (previous year) and are updated on an annual basis. By updating weights every year, the IMPI basket will reflect the changes in trade patterns. IMPI will be affected by both price changes and changes in the import structure

### Statistical variables

The main variable is the price; it can be reported in each monetary unit (in any currency). Prices reported in foreign currency units are converted into EUR. The invoice currency and the reporting currency are, therefore, complementary variables. Where prices are reported in foreign currencies, the Swedish Central Bank's quarterly average exchange rates are used for converting into EUR.

### Index formulas

The Import Price Index can be described as a Laspeyres chain-type index with annual links. The Laspeyres index is defined as follows.

$$I^t = \frac{\sum_{i=1}^n P_i^t Q_i^0}{\sum_{i=1}^n P_i^0 Q_i^0} = \sum_{i=1}^n \frac{P_i^0 Q_i^0}{\sum_{i=1}^n P_i^0 Q_i^0} \times \frac{P_i^t}{P_i^0}$$

Where  $P^0$  and  $P^t$  are prices per unit in the base period (0) and the comparison period (t), respectively, and  $Q^0$  is the quantity in the base period. Summation is done through products n. In the centre element above, the index is expressed as the ratio between the summated value of the base-period quantities at the comparison-period and base-period price level, respectively. The index can also be expressed, as in the final element, as an average of the price of goods weighted with the base-period values.

The index prices are calculated with the current quarter **q** in year **y** as the comparison period, and with the fourth quarter in year **y-1** as price reference period. The weighting period is the year **y-1**.

The relation is thus defined as:

$$I_{y-1,q}^{y,q} = \frac{\sum_{s=1}^k V_s}{\sum_{s=1}^k V_s} \times \frac{P_s^{y,q}}{P_s^{y-1,q}}$$

Where the value weight  $V_s$  is the value of the transactions in year **y-1** that are represented by the specification **s**. Summation is across the **k** specifications.

### Calculating the chained index of IMPI

The chained index number is calculated for quarters and indicates the particular quarter's price level compared with the average price level in 2010 (2008=100).

$$I_{2010}^{y,q} = \frac{100}{\frac{1}{4} \sum_{q=1}^4 I_{2009,q}^{2010,q}} \times \prod_{Y=2010}^{y-1} I_{Y-1,q}^{Y,q} \times I_{y-1,q}^{y,q}$$

### Calculating changes

The quarterly change is calculated as:

$$\left[ \left( \frac{IMPI_0^{Y,q}}{IMPI_0^{Y,q-1}} \right) - 1 \right] * 100 = \text{Quarterly percentage change}$$

$IMPI_0^{Y,q}$  = Import price index for the current quarter q

$IMPI_0^{Y,q-1}$  = Import price index for the previous quarter q-1

The yearly change is calculated as:

$$\left[ \left( \frac{IMPI_{2010}^{Y,q}}{IMPI_{2010}^{Y-1,q}} \right) - 1 \right] * 100 = \text{Yearly percentage change}$$

$IMPI_{2010}^{Y,q}$  = The chained Import price index for the current quarter q

$IMPI_{2010}^{Y-1,q}$  = The chained Import price index for the previous year and quarter q

# Kosovo Agency of Statistics

## *short description*

**Kosovo Agency of Statistics** is a professional institution which deals with collection, processing and publication of official statistical data. As such acts since 1948 and has passed through several historical stages, structured according to state regulation of those times.

On 2 August 1999, the Agency has resumed his professional work (after nine years of interruption of all statistical series detrimental to the interest of Kosovo), as an independent institution under the Ministry of Public Administration. Since 12.12.2011 the Agency operates in the frames of the Prime Minister's Office. Office is funded by the Kosovo Consolidated Budget, but also by donors for specific projects and for technical professional support.

**Kosovo Agency of Statistics** acts according to the Law No. 04/L-036 which entered into force on 12.12.2011. Programme of Official Statistics 2013/2017 is in implementation for the development of statistical system in correlation with the European Union statistics (EUROSTAT).

**Kosovo Agency of Statistics** has this organizational structure: production departments; Department of Economic statistics, Department of National Accounts, Department of Agriculture and Environment statistics and Department of Social statistics. **Support Departments**; Department of Methodology and Information Technology, Department of Policy Planning, Coordination and Communication, Department of Census and survey and Department of Administration. **Within the Agency are also established Regional Offices**; Gjakove, Gjilan, Mitrovica, Peja, Prizren, Pristina and Ferizaj

In KAS are employed in total 159 workers, of whom 100 (68,0 %) at the headquarters of the Agency, while in the Regional Offices, 47 (32,0%). Agency's educational qualifying structure is as follows: 75,5% with university education, 12,3% with with non-tertiary education, and 12.3% with secondary education.

We have professional and technical cooperation with all Ministries of the Government of Kosovo, especially with the Ministry of Economy and Finance, Central Bank of Kosovo, with international institutions, EUROSTAT, International Monetary Fund, World Bank, Sweden's SIDA, DFID, UNFPA, UNDP, UNVEF, and with the statistical institutions of the countries in the region.

**Kosovo Agency of Statistics** almost completely covers the territory of Kosovo, based on the statistical structure of the enumeration areas as the basic unit and sole in the country from which it gets first hand information. All surveys conducted in the field use the extension of the samples in these enumeration areas but also a statistical methodology according to international recommendations. During the collection of statistical data and reports from reporting entities are involved professionals, technicians, administrators, servants of the country offices, field enumerators from regional offices, etc.

In 2011, the project of Population Census , Households and Dwellings was successfully implemented, and in 2014 was successfully carried out the Agriculture Census. The result obtained from these censuses will have an important role in the development policies.

**The mission of the Agency**; to meet the needs of users with qualitative statistical data, objective, in time and space so that users have reliable base to conduct regular analysis in the interest of planning and project development at the municipal and country level. To support government institutions, scientific institutes, research academies, businesses in order to provide proper information for decision-makers and other users in Kosovo.

- **Address: KOSOVO AGENCY OF STATISTICS**  
Street. "Zenel Salihu", No. 4, 10000 Pristina
- **Telephone:** +383 (0) 38 200 31 129  
CEO: +383 (0) 38 200 31 112
- **Fax::** +383 (0) 38 235 033
- **E-mail:** [infoask@rks-gov.net](mailto:infoask@rks-gov.net)
- **Web:** <http://ask.rks-gov.net>