

Agency for Strategic planning and reforms of the Republic of Kazakhstan Bureau of National statistics

Quality report

Gross domestic product by final expenditure method for 2022 Content

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- S.1 Contact details
- S.1.1 Organization

Bureau of National Statistics Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

S.1.2 Structural subdivision

Department of National Accounts

S.1.3 Contact name

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- S.1.3.1 Name of the head of the responsible structural unit Nakipbekov Asset Erikovich
- S.1.5 Postal address of the contact person

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S.2 Introduction-Relevance

The purpose of the System of National Accounts (hereinafter - SNA) is to provide a comprehensive conceptual framework and accounting structure that could be used to create a database of macroeconomic data suitable for analyzing and assessing the performance of the economy. The presence of such a database is a prerequisite for developing informed and rational policies and making appropriate decisions.

The essence of the SNA comes down to the calculation of general indicators of the development of economic sectors at various stages of the reproduction process and the mutual linkage of these indicators with each other. Each stage of reproduction corresponds to a special account or group of accounts. Thus, it is possible to trace the movement of the value of produced goods and services from production to use.

The main users are the National Bank of the Republic of Kazakhstan, government bodies such as the Ministry of National Economy of the Republic of Kazakhstan, research institutes, international organizations such as the Interstate Statistical Committee of the Commonwealth of Independent States, the Eurasian Economic Commission and others.

- S.3 Metadata Update
- S.3.1 Last confirmation of updated metadata

11/17/2023

S.3.2 Last metadata placement

11/17/2023

S.3.3 Last metadata update

11/17/2023

- S.4 Presentation of statistical information
- S.4.1 Data Description

The final use components of gross domestic product (hereinafter referred to as GDP) are reflected in the SNA in the goods and services account, the use of disposable income account and the capital account.

The goods and services account reflects the fundamental identity of the SNA goods and services produced in a country must be consumed, saved, or exported, and all goods and services used in a given country must be produced in that country or imported.

The disposable income use account shows how, for sectors that spend on final consumption (government, non-profit organizations serving households and households), disposable income is allocated between final consumption and saving.

The end use components of GDP are:

- final consumption expenditure;
- gross capital formation;
- net exports.

GDP using the final use method at current prices is calculated using the formula:

GDP=FCE+NE

Where:

GDP – gross domestic product;

FCE – final consumption expenditure;

GCF – gross capital formation;

NE – net export.

Net exports are the difference between exports and imports.

Sources of information for the formation of GDP by the end-use method are data from national statistical observations and administrative data of the Ministry of Finance of the Republic of Kazakhstan (reports on income and expenses of the state budget), the National Bank of the Republic of Kazakhstan (Balance of Payments, reports on the activities of second-tier banks, insurance organizations).

S.4.2 Classification system

General classifier of types of economic activities (NC RK 03-2007), harmonized with the international classifier NACE rev.2, Classifier of economic sectors, Classifier of functions of government bodies, Classifier of individual consumption by purpose, Classifier of purposes of non-profit organizations serving households, developed in accordance with the System of National Accounts 2008. Classifiers are available on the website of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan www.stat.gov.kz in the "Statistical Classifications" section.

S.4.3 Sectoral coverage

The SNA describes the entire economy of a country. All units are covered whose predominant center of economic interests is located in the economic territory of a given country.

The resident institutional units, which together make up the country's economy, are grouped into five mutually exclusive institutional sectors:

non-financial corporations sector;

financial corporations sector;

public administration sector;

the sector of non-profit organizations serving households;

household sector.

S.4.4 Statistical Concepts and Definitions

The System of National Accounts (SNA) is a logically consistent, harmonious and holistic set of macroeconomic accounts, balance sheets, and tables, which is based on a number of internationally agreed concepts, definitions, classifications and accounting rules.

GDP is one of the most important indicators of the system of national accounts, characterizing the final result of the country's economic activity.

Final consumption is the consumption of goods and services used entirely by individual households or society as a whole to satisfy their individual or collective needs and wants.

Gross accumulation is the total value of gross accumulation of fixed capital, changes in inventories and acquisitions of valuables minus their disposal.

Intangibles are produced assets consisting of goods and services that originated in the current period or an earlier period and that are held for sale, use in production, or other uses at a later date.

Change in inventories is the value of additions to inventories less the value of disposals from inventories and less the value of any current losses of goods held in inventories during the reporting period.

Gross fixed capital formation is the cost of producers' acquisitions of new and existing fixed assets minus the cost of disposals of fixed assets used in production to create new income in the future.

Import – import of goods and services from abroad for sale on the domestic market.

Export is the export of goods and services abroad for sale on the foreign market.

A household is an economic entity consisting of one or more individuals living together, pooling all or part of their income and property, and jointly consuming goods and services.

Governments are unique types of legal entities created through political processes that have legislative, judicial, or executive powers over other units within a given territory.

Non-profit organizations serving households (hereinafter referred to as NPISH) are economic entities engaged in the production of non-market services for households or society as a whole, and whose resources are generated through voluntary contributions.

S.4.5 Statistical object

1) Types of economic activity.

2) Resident institutional units, which together make up the country's economy. An institutional unit is a resident unit of a country if the predominant center of its economic interests is in the economic territory of that country, that is, when it is engaged for a relatively long period (a year or more) in economic activities in that territory.

S.4.6 Frame (principle for selecting survey units)

Not applicable.

S.4.7 Territorial coverage

The Republic of Kazakhstan as a whole.

S.4.8 Time coverage

GDP by final use method has a time series from 1990 to the present (annual data).

S.4.9 Base period

The base period is the corresponding period of the previous year.

S.5 Unit

Million Kazakh tenge

S.6 Reporting period

Year

- S.7 Legal basis
- S.7.1 Legal basis
 - 1. Law of the Republic of Kazakhstan dated March 19, 2010 No. 257-IV "On

State Statistics".

2. Rules for the presentation of primary statistical data by respondents, approved by order of the Chairman of the Agency of the Republic of Kazakhstan on Statistics dated July 9, 2010 No. 173.

3. Plan of statistical work, approved in the established legislative order of the Republic of Kazakhstan by the Order of the Head of the BNS ASPR of the Republic of Kazakhstan.

4. The schedule for the dissemination of official statistical information, approved by order of the Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan.

S.8 Privacy and data protection.

S.8.1 Privacy Policy

1. Article 8 of the Law of the Republic of Kazakhstan dated March 19, 2010 "On State Statistics", in accordance with which a guarantee of confidentiality and protection of the data provided by respondents is ensured.

2. Article 28 of the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015 ensures the protection of information constituting a trade secret.

3. The Information Security Policy (hereinafter referred to as the Policy), approved by the Order of the Head of BNS ASPR of the Republic of Kazakhstan dated February 10, 2021 No. 20, defines the goals, objectives, guidelines and practices in the field of ensuring information security of the Bureau. The main goal of the Policy is to ensure the availability of official statistical information, the confidentiality of information stored and processed on the Bureau's computer facilities under conditions of its integrity and authenticity.

S.8.2 Privacy – data handling

Rules for the provision and use of databases in de-identified form for scientific purposes, approved by order of the Chairman of the Agency of the Republic of Kazakhstan on Statistics dated July 2, 2010 No. 168. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 13, 2010 No. 6388.

- S.9 Publication Policy
- S.9.1 Publication calendar

Clause 1, Clause 2 of Article 26 of the Law of the Republic of Kazakhstan "On

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State Statistics" dated March 19, 2010 No. 257-IV.

The plan of statistical work and the Schedule of dissemination of official statistical information are posted on the website of the Unified Platform of Internet Resources for Government Agencies (EPIR GO) www.gov.kz in the section of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan.

S.9.2 Access to the Chart

Simultaneous and equal access to all users on the website of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan www.gov.kz in the "Home" / "Activities" / "Basic Documents" section.

S.9.3 User access

Website of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan www.stat.gov.kz.Statistics/Economics/Statistics of National Accounts.

S.10 Frequency of propagation

Year, quarter

- S.11 Distribution format, accessibility and clarity
- S.11.1 News publications
- S.11.2 Publications

1) The bulletin "Gross Domestic Product by Final Use Method" in web publication and pdf format contains data on GDP components at current prices, GDP structure, deflators and physical volume indices in Kazakh, Russian and English, published quarterly and annually on the website BNS ASPR RK www.stat.gov.kz in the section Economy/ Statistics of National Accounts/Publications.

2) The statistical bulletin "National Accounts of the Republic of Kazakhstan" in Excel format in Kazakh, Russian and English is published annually on the website of the Bureau of National Statistics www.stat.gov.kz in the section Economy/Statistics of National Accounts/Spreadsheets.

3) Dynamic tables for GDP components by end-use method contain data in current prices, GDP structure, deflators and physical volume indices. Dynamic tables in Excel format in Kazakh, Russian and English are published quarterly and annually on the BNS ASPR website www.stat.gov.kz in the Economy / Statistics of National accounts / Dynamic tables section.

S.11.3 Online data bases

Information and analytical system "Taldau" > National accounts statistics.

S.11.4 Access to microdata

Dissemination of data collected for the purpose of preparing official statistics is based on the requirements provided for in Article 8 of the Law of the Republic of Kazakhstan dated March 19, 2010 "On State Statistics", in accordance with which a guarantee of confidentiality and protection of the data provided by respondents is ensured.

Rules for the provision and use of databases in de-identified form for scientific purposes, approved by order of the Chairman of the Agency of the Republic of Kazakhstan on Statistics dated July 2, 2010 No. 168. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 13, 2010 No. 6388.

- S.11.5 Other
- S.11.5.1 AC2. Metadata-consultations Notimplemented.
- S.12 Documentation availability
- S.12.1 Methodology documentation

1. System of National Accounts, 2008 (published by the Commission of the European Communities EUROSTAT, International Monetary Fund (IMF), Organization for Economic Cooperation and Development (OECD), United Nations (UN), World Bank). https://unstats.un.org/unsd/nationalaccount/docs/SNA2008Russian.pdf.

2. "Methodology for assessing the non-observed economy", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated August 7, 2019 No. 4. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 8, 2019 No.19215.

3. "Methodology for accounting for financial services of second-tier banks" was approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated October 3, 2016 No. 226. Registered with the Ministry of Justice of the Republic of Kazakhstan on November 3, 2016 No. 14393.

4. "Methodology for accounting for central bank services" was approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated November 21, 2016 No. 271. Registered with the Ministry of Justice of the Republic of Kazakhstan on December 21, 2016 No. 14539.

5. "Methodology for accounting for services of pension funds" was approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated August 6, 2017 No. 118. Registered with the Ministry of Justice of the Republic of Kazakhstan on September 13, 2017 No. 15687.

6. "Methodology for accounting for insurance services" was approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated August 4, 2017 No. 114. Registered with the Ministry of Justice of the Republic of Kazakhstan on September 7, 2017 No. 15627.

7. "Methodology for accounting for the release of financial intermediation services", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated September 23, 2016 No. 217. Registered in the Register of State Registration of Normative Legal Acts No. 14362.

8. "Methodology for assessing the volume of illegal activities", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated September 8, 2017 No. 125. Registered in the Register of State Registration of Normative Legal Acts No. 15848.

9. "Methodology for accounting for changes in inventories of material working capital", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated October 30, 2015 No. 171.

10. "Methodology for compiling the capital account", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated November 1, 2016 No. 254. Registered in the Register of State Registration of Normative Legal Acts dated December 2, 2016 No. 14477.

11. "Methodology for recording research activities", approved by order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated November 11, 2016 No. 265. Registered in the Register of State Registration of Normative Legal Acts dated December 14, 2016 No. 14526.

12. "Methodology for calculating gross domestic product by final expenditure method in current and constant prices", approved by order of the Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated November 5, 2021 No. 27. Registered in the Register of State Registration of Normative Legal Acts dated 9 November 2021 No. 25054.

S.12.2 Quality documentation

1. Standard methodology for describing the process of producing statistical information by government bodies, approved by Order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated March 30, 2015 No. 53.

2. "Methodology for assessing the quality of official statistical information", approved by Order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated May 23, 2018 No. 63. Registered with the Ministry of Justice of the Republic of Kazakhstan on June 7, 2018 No. 17011.

S.13 Quality management

S.13.1 Quality Assurance

The quality and reliability of national accounts statistics data is supported by generally accepted procedures:

- formation according to international recommendations to ensure comparability of data in accordance with international standards;

- use of standard statistical classifications of goods, products, services;

- a comparative analysis of statistical data is carried out (in dynamics, with administrative data, cross-sectoral).

S.13.2 Quality assessment

Quality is ensured by the strict application of the concepts of the international standard SNA 2008 and the reliability of the data.

For the convenience of users, the publication format was revised in 2023. A transition was made from Express information to a web publication, where key points were highlighted, a Glossary, methodological explanations, relevant links to time series and related publications were added (these are publications of GDP by production method, income, GRP, Short-term economic indicator, the National Accounts of the Republic of Kazakhstan bulletin and Results of a one-time survey of non-profit organizations), and also includes useful links (methodology, quality reports, "IAS Taldau"). The presence of active links in the publication allows the user to go to more detailed information in spreadsheets or the dynamics of the main indicators of GDP using the end-use method and other methods in the Republic of

Kazakhstan for a number of years.

- S.14 Relevance
- S.14.1 Needs

National accounts data are key information for monitoring economic policy and decision-making, forecasting, for administrative purposes and for informing the general public and for economic research. Users of annual national accounts data are typically interested in analyzing structural changes in the economy over the medium term.

Main users:

National Bank of the Republic of Kazakhstan;

government bodies (Ministry of National Economy of the Republic of Kazakhstan and others);

research institutes (Institute of Economic Research and others);

international organizations (EAEC, CIS Statistical Committee and others); university teachers, students and others.

S.14.2 User satisfaction

The Bureau of National Statistics of the Agency for Strategic Planning and Reform of the Republic of Kazakhstan annually conducts a survey of users of official statistical information according to questionnaire Q-002 "User Survey". In addition, responses to user requests are generated both officially and routinely within the scope of competence.

S.14.3 Completeness/R1. Data completeness-share

In accordance with the international standard SNA 2008.

- S.15 Accuracy and reliability (to be completed taking into account the type of observation)
- S.15.1 Overall Accuracy

The accuracy of the source data is ensured by compliance with methodological recommendations and the methodological validity of data sources obtained from the structural divisions of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan and government bodies.

- S.15.2 Sampling errors-indicators/A1. Not applicable.
- S.15.3 Non-sampling error Not applicable.
- S.15.3.1 Coverage error

Not applicable.

- S.15.3.1.1 A2.Excess coverage share Not applicable.
- S.15.3.1.2 A3.Common units ratio Not applicable.
- S.15.3.3 No response errors
- S.15.3.3.1 A4.Unit of absence share Not applicable.
- S.15.3.3.2 A5.No response item share Not applicable.
- S.16 Timeliness and punctuality
- S.16.1 Timeliness
- S.16.1.1 TP1.Waiting period first results

GDP by final expenditure method is published according to the deadlines specified in the Statistical Work Plan. Quarterly data (cumulative) are published on the 105th day after the reporting period, preliminary annual data – on the 120th day after the reporting period.

S.16.1.2 TP2. Waiting period - latest results

Final annual data are published on the 320th day after the reporting period.

S.16.2 Punctuality

S.16.2.1 Punctuality/TP3

Data are published and disseminated within the time frames in accordance with the Statistical Work Plan and the Dissemination Schedule of Official Statistical Information, approved by order of the head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan.

According to the Statistical Work Plan for 2023, the publication deadline for the bulletin "Gross Domestic Product by End Use Method for 2022" (annual on an annual basis) is November 16, 2023.

The actual publication date of the Gross Domestic Product by Final Use Method 2022 bulletin (annual on an annual basis) is November 16, 2023. The planned and actual dates coincide, but the publication deadline is not missed. Table 1. Publication deadlines

Statistical Bulletin	Plan	Fact	Difference
Gross domestic by final use method for 2022 (annual on an annual basis)	November 16, 2023	November 16, 2023	-

- S.17 Comparability
- S.17.1 Geographical comparability

Comparable at the international level, since calculations are carried out in accordance with the SNA 2008 methodology.

S.17.1.1 Asymmetry by mirror flow statistics - coefficient/CC1

Unacceptable.

S.17.2 Duration of comparable time series/CC2

Time series since 1990 (annual data) have been published.

- S.18 Consistency
- S.18.1 Consistency external, cross

Calculations are carried out in accordance with the 2008 System of National Accounts methodology prepared by the International Monetary Fund (IMF), the Organization for Economic Co-operation and Development (OECD), the Statistical Office of the European Communities (Eurostat), the United Nations (UN) and the World Bank, which ensures the application common concepts, definitions, classifications and assessment methods.

S.18.2 Internal consistency

Within the system of national accounts, there is consistency between national accounts data. However, complete consistency is not always possible due to the use of different data sources. For example, when forming GDP using production and end use methods. The reason is the use of different data sources for the resource and use components of GDP.

When forming annual periods, many sources are also clarified and adjusted. In the reporting annual calculation of GDP, data on the Balance of Payments were updated, recalculated by the National Bank taking into account the time lag. A comparison table between preliminary and reported GDP is presented below:

	Preliminary data, million tenge	Reporting data, million tenge	Discrepancy, %
Household final			
consumption			
expenditure	49,724,894.8	50,951,517.7	2.5
Final consumption			
expenditures of			
NPISHs	1,090,653.6	347 176.5	-68.2
Gross			
accumulation	25,030,635.8	25,916,382.0	3.5
export	43,354,558.7	43,134,297.5	-0.5
import	27,323,898.4	27,773,158.3	1.6
GDP (end use			
method)	103,557,816.7	103,470,837.1	-0.1

One of the possible ways to reduce the discrepancy is to calculate the components of GDP using the discrete method, as well as recalculate annual data after receiving the data from the supply-use tables (hereinafter referred to as SUT). In the SUT, more detailed information, specified by type of product, is available on all components of GDP calculated by different methods. Such a recalculation will contribute to a higher quality of GDP components.

Further, as can be seen from the table presented, the level of discrepancy fluctuates. Such jumps during the year should be smoothed out after the current practice of calculating GDP on a discrete basis and recalculating net quarters after obtaining annual estimates is introduced.

The introduction of a statistical survey of non-profit units in the NPISH sector made it possible to obtain data for 2022 and calculate non-market output and final consumption expenditures of non-profit organizations serving households. Also, a transition occurred in the classifiers from COPNI 1993 to COPNI 2008.

S.19 Load

GDP using the final use method is generated by employees of the National Accounts Department in Excel. When forming GDP indicators, data from national statistical observations and administrative sources are used. There is no duplication with other statistical works.

S.20 Data revision

S.20.2 Data revision/A6

Revision in cases of changes in methodology and classifiers.

The data is revised according to the deadlines specified in the Project Plan for 2024-2027. "Improving the quality of indicators of the System of National Accounts."

According to the Statistical work plan, preliminary annual data are published on the 120th day after the reporting period. Annual reporting data are published on the 320th day after the reporting period.

S.21 Processing of statistical data

S.21.1 Input data

Sources of information for the formation of GDP using the final use method are: components of GDP by production method;

industry statistics data;

Balance of payments of the Republic of Kazakhstan (National Bank of the Republic of Kazakhstan);

reports on income and expenditure of the state budget (Ministry of Finance of the Republic of Kazakhstan).

S.21.2 Survey frequency

Year, quarter

S.21.3 Method (method) for collecting primary statistical data

GDP is calculated by the staff of the Department of National Accounts. The results of national statistical observations were obtained in the form of an Excel table from industry statistics departments. Administrative data was obtained in the form of an Excel table within the framework of existing joint orders on the exchange of information with government agencies, according to official requests and from official websites of data sources.

S.21.4 Reliability of primary statistical data.

An analysis of data obtained from industry statistics departments and administrative sources is carried out. During the verification process, the results obtained are compared with the previous period with the corresponding period of the previous year and over several years.

S.21.5 Imputation - share /A7 Not applicable.

S.21.6 Adjustment

Not applicable.

S.21.6.1 Seasonal adjustment

Not applicable.

S.22 Notes

Not available.