



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

# Quality report

Gross Domestic Product by Income Method for 2018

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## S.1 Contact details

### S.1.1 Organization

Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan

### S.1.2 Structural subdivision

Department of National Accounts

### S.1.3 Name of contact person

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#### S.1.3.1 Name of the head of the responsible structural unit

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### S.1.5 Postal address of the contact person

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## S. 2 Introduction-Relevance

The main 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 macroeconomic database suitable for analyzing and assessing the performance of the economy. The presence of such a database is a prerequisite for formulating sound and rational policies and making appropriate decisions.

The gross domestic product (hereinafter - GDP) by the income method is one of the main components of the integrated structure of the SNA.

The GDP obtained by the income method makes it possible to determine the structure of GDP in terms of primary income: wages of employees, taxes on production and imports, profits and mixed income.

Currently, the relevance of the formation of GDP is due to the need for economic analysis, building a macroeconomic model for forecasting. Therefore, participants in economic relations make high demands on the reliability, accuracy and timeliness of providing information on the rates of economic growth.

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 Updating metadata

#### S.3.1 Latest confirmation of updated metadata

#### S.3.2 Latest placement of metadata

#### S.3.3 Latest metadata update

### S.4 Presentation of statistical information

#### S.4.1 Data description

GDP, calculated using the income method, is the sum of the primary income of all sectors of the economy - wages, other taxes on production, taxes on products, consumption of fixed capital and profits / mixed income.

The calculation of GDP by the income method is carried out according to the following formula:

$$\text{GDP} = \text{COE} + \text{NT} + \text{GOS} + \text{GMI}$$

Where:

GDP - GDP;

COE - remuneration;

NT - net taxes on production and imports;

GOS - gross profit;

GMI - Gross Mixed Income.

GDP by the income method is compiled from the SNA income generation account. This account reflects the payment of primary income by resident institutional units involved in the production of goods and services. In the resource part of the account, the value of gross value added (hereinafter - GVA) is recorded. The GVA value is transferred from the production account. In use, the following costs of producers from value added are reflected: wages, net taxes on production and imports (taxes minus subsidies). The balancing item of the generation of income account is gross profit and gross mixed income, which are reflected on the use side.

The calculation is made on the basis of reported data on a quarterly basis in the context of types of economic activities and on an annual basis in the context of sectors of the economy and types of economic activities.

The sources of information for the formation of GDP by the income method are the data of national statistical observations 1-T "Report on labor", T-001 "Questionnaire for a sample survey of employment of the population", 2-MP "Report on the activities of a small enterprise", 1-PF "Report on financial - economic activities of the enterprise ". As well as the administrative data of the Ministry of Finance of the Republic of Kazakhstan "Report on the execution of the state budget", state budget expenditures according to specifics 311 "Subsidies to legal entities, including peasant (farmer) enterprises".

#### S.4.2 Classification system

General classifier of economic activities (NK RK 03-2007), harmonized with the international classifier NACE rev.2.

The classifier is posted 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](http://www.stat.gov.kz) in the "Classifiers" section.

#### S.4.3 Sectoral coverage

SNA describes the entire economy of a country. It covers all units whose predominant center of economic interest is located in the economic territory of a given country. The two most important breakdowns are the breakdown by institutional sector and the breakdown by the General Classifier of Economic Activities (OKED, GK RK 03-2007), harmonized with the international classifier NACE rev.2.

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;

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 coherent, harmonious and coherent set of macroeconomic accounts, balance sheets of assets and liabilities, and tables, which is based on a number of internationally agreed concepts, definitions, classifications and accounting rules.

Gross Domestic Product (GDP) is one of the most important indicators of the system of national accounts that characterizes the final result of a country's economic activity.

Gross value added (GVA) - characterizes the end result of production activities and represents the value added by processing in a given production process. It is calculated at the level of industries as the difference between the output of goods and services and intermediate consumption, includes the value of fixed capital consumed in the production process.

Remuneration for labor - the aggregate remuneration (in cash or in kind) paid by the employer to the employee for the work performed by him in the reporting period.

Other taxes on production consist of all taxes (other than taxes on products) that are levied on businesses as a result of their involvement in production.

Consumption of fixed capital represents a decrease in the value of fixed capital during the reporting period as a result of its physical and moral deterioration and accidental damage.

The gross (net) profit of the economy is that part of the value added that remains with the producers after deducting the costs associated with the wages of workers and the payment of taxes on production. The term "gross" or "net" in this case indicates whether this indicator includes or does not include the consumption of fixed capital in the production process. Profit arising from the production activities of household-owned enterprises is called gross mixed income because it reflects both the payment for work done by the owner of the enterprise and the profit from the entrepreneurship.

#### S.4.5 Statistical object

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

#### S.4.6 General population (principle of selection of survey units)

Not applicable.

#### S.4.7 Territorial coverage

Republic of Kazakhstan as a whole.

#### S.4.8 Time coverage

GDP by the income method has been formed since 1990; there are time series from 1990 to the present.

#### Base period

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

#### S.5 Unit of measurement

Million Kazakh tenge

#### S.6 Reporting period

year

#### S.7 Legal basis

##### S.7.1 Legal framework

1. Law of the Republic of Kazakhstan dated March 19, 2010 No. 257-IV "On state statistics".
2. The plan of statistical work, approved in accordance with the established legislative procedure of the Republic of Kazakhstan by the Order of the Minister of National Economy of the Republic of Kazakhstan.
3. Schedule for the dissemination of official statistical information, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan.
4. 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).
5. "Methodology for calculating gross domestic product by the income method", approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan on September 20, 2017 No. 131.
6. "Methodology for assessing the non-observed economy", approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated August 7, 2019 No. 4.8

#### S. 8 Confidentiality and data protection

##### S.8.1 Privacy Policy

1. Article 8 of the Law of the Republic of Kazakhstan dated March 19, 2010 No. 257-IV "On state statistics", in accordance with which a guarantee of confidentiality and protection of the submitted data by respondents is ensured.
2. Article 28 of the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015 No. 375-V ensures the protection of information constituting a commercial secret..

3. Information security policy (hereinafter - the Policy), approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated October 31, 2016 No. 252 defines the goals, objectives, guidelines and practical techniques in the field of information security. Security Committee. The main goal of the Policy is to ensure the availability of official statistical information. Confidentiality of information stored and processed on the computer equipment of the Committee under the conditions of its integrity and authenticity.

#### S.8.2 Privacy - data handling

The rules for the provision and use for scientific purposes of databases in a de-identified form, approved by Order of the Minister of National Economy of the Republic of Kazakhstan dated December 18, 2015 No. 778.

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

The statistical work plan and the Schedule for the dissemination of official statistical information are posted 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](http://www.stat.gov.kz) in the section "Home" / "Basic documents".

##### S.9.2 Access to the Graph

Simultaneous and equal access for all users to 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](http://www.stat.gov.kz) in the section "Home" / "Basic documents".

##### S.9.3 User access

Website Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan [www.stat.gov.kz](http://www.stat.gov.kz). Official statistics / By industries / National accounts statistics.

#### S.10 Propagation frequency

year

#### S.11 Dissemination format, accessibility and clarity

##### S.11.1 News publications

Press releases are not published.

##### S.11.2 Publications

1) Express information "Gross domestic product by income method" contains data on gross value added, labor remuneration, other taxes on production, gross profit / gross mixed income by type of economic activity in current prices and in structure.



Express information "Gross Domestic Product by Income Method" in Word format in Kazakh and Russian languages is published annually 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](http://www.stat.gov.kz) in the Official Statistics section / By industry / National accounts statistics / Statistics / Express information.

2) Dynamic tables for components of GDP using the income method contain data on wages, other taxes on production, consumption of fixed capital, net income / net mixed income by economic activity at current prices. Dynamic tables in Excel format in Kazakh, Russian and English are published annually 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](http://www.stat.gov.kz) in the section Official statistics / By industries / Statistics of national accounts / Statistics / Dynamic tables.

3) The statistical collection "National Accounts of the Republic of Kazakhstan" contains data on wages, other taxes on production, consumption of fixed capital, net profit and net mixed income by sectors of the economy and types of economic activity in current prices. The statistical compilation in Word and PDF format in Kazakh, Russian and English is published annually 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](http://www.stat.gov.kz) in the section Official statistics / Publications / Statistical collections / National accounts of the Republic of Kazakhstan.

#### S.11.3 Databases in on-line mode

Information and analytical system "Taldau"> National accounts statistics> Current accounts> Generation of income account.

##### S.11.3.1 AC1. Data tables-consultation

Not implemented.

#### S.11.4 Microdata access

The dissemination of data collected for the preparation of 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 the confidentiality and protection of the submitted data by respondents is guaranteed.

Access to microdata and anonymity of microdata are governed by the Rules for the provision and use of databases for scientific purposes in a de-identified form, approved by Order of the Minister of National Economy of the Republic of Kazakhstan dated December 18, 2015 No. 778.

#### S.11.5 Other

##### S.11.5.1 AC2. Metadata consultation

Not implemented.

## S.12 Availability of Documentation

### 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 calculating gross domestic product by the income method", approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated September 20, 2017 No. 131.

### S.12.2 Quality documentation

1. Policy in the field of quality, approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated April 23, 2015 No. 67.
2. Objectives in the field of quality Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan.
3. Documented information of the quality management system: Quality manual; Documented procedures; Instructions; Process maps.
4. Standard methodology for describing the process of production of statistical information by state bodies, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated March 30, 2015 No. 53.
5. Methodology for assessing the quality of official statistical information, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated May 23, 2018 No. 63.

## S.13 Quality management

### S.13.1 Quality assurance

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

- formation in accordance with international recommendations to ensure the comparability of data in accordance with international standards;
- use of standard statistical classifications of goods, products, services;
- comparative analysis of statistical data is carried out

### S.13.2 Quality control

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

#### 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 usually interested in analyzing structural changes in the economy over the medium term.

Main users: National Bank of the Republic

of Kazakhstan;

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

research institutes (Institute for Economic Research and others);

international organizations (EAEC, CIS Statistical Committee and others);

university teachers, students and others.

##### S.14.2 User satisfaction

An annual survey of users of official statistical information is carried out according to the questionnaire Q-002 "Survey of users".

##### S.14.3 Completeness / R1. Data completeness-share

In accordance with the international standard SNA 2008.

#### S.15 Accuracy and reliability (to be completed according to the type of observation)

##### S.15.1 Overall accuracy

The accuracy of the initial data is controlled by assessing the methodological soundness of data sources and adherence to methodological recommendations.

##### S.15.2 Sample 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. Overcoverage-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.Absence unit-share

Not applicable

#### S.15.3.3.2 A5. No response-share clause

Not applicable

### S.16 Timeliness and punctuality

#### S.16.1 Timeliness

##### S.16.1.1 TP1 Waiting period - first results

GDP data using the income method are published annually according to the dates specified in the Statistical Work Plan. The first results are preliminary. Preliminary figures are published 4 months after the reporting period (T + 4 months).

##### S.16.1.2 TP2.Waiting Period - Latest Results

Reported data are published 8 months after the reporting period (T + 8 months).  
Reported data are final.

#### S.16.2 Punctuality

##### S.16.2.1 Punctuality / TP3

The data are published and disseminated in accordance with the Statistical Work Plan approved by the order of the Minister of the Ministry of National Economy of the Republic of Kazakhstan. According to the Statistical Work Plan for 2019, the timing of the publication of express information "Gross Domestic Product by Income Method for 2018" (annual on a quarterly basis) is April 24, 2019, "Gross Domestic Product by Income Method for 2018" (annual on an annual basis) - August 2, 2019.

According to express information "Gross Domestic Product by Income Method for 2018" (annual on a quarterly basis), the planned and actual dates coincide, there was no disruption to the publication date.

The actual publication date of the Gross Domestic Product by Income Method for 2018 (annual on an annual basis) is September 11, 2019.

The planned and actual dates do not coincide, the delay in publication is 40 days.

Table 1. Terms of publication

Express information	Plan	Fact	Difference
Gross Domestic Product by Income Method for 2018 (annual on a quarterly basis)	April 24, 2019	April 24, 2019	Not
Gross Domestic Product by Income Method for 2018 (annualized on an annualized basis)	August 2, 2019	September 11, 2019	40 days

The reason for the postponement of the publication date: Service note No. 36-01 / 380-VN of July 30, 2019 and service note No. 36-2-17 / 287-VN of August 27, 2019 on the postponement of the publication date from August 2 to September 11, 2019 express information "Gross Domestic Product by the Income Method for 2018" in connection with the implementation of GDP calculations and the corresponding retrospective recalculation in accordance with the new Methodology for Assessing the Non-Observed Economy, approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated August 7, 2019 No. 4.

#### S.17 Comparability

##### S.17.1 Geographic comparability

Internationally comparable, as calculations are carried out in accordance with the 2008 SNA methodology.

##### S.17.1.1 Asymmetry on Mirror Stream Statistics - Coefficient / CC1

Unacceptably.

##### S.17.2 Length of comparable time series / CC2

Since 2010, GDP by the income method (quarterly and annual) is formed in accordance with the General Classifier of Economic Activities (OKED, GK RK 03-2007), harmonized with the international classifier NACE rev.2. There are comparable time series since 1990.

#### S.18 Consistency

##### S.18.1 Consistency, external, cross

Calculations are carried out in accordance with the methodology of the System of National Accounts 2008 prepared by the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), the Statistical Office of the European Communities (Eurostat), the United Nations (UN) and the World Bank, which ensures the application uniform 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 as a result of using different data sources.

Table 2. Ensuring nominal discrepancies in the calculations of SNA indicators calculated by different methods specified in the Quality Objectives Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan for 2019-2021

Target indicator	Unit of measurement	Plan	Fact
Nominal differences between GDP by income method and GDP by end-use method for 2018 based on preliminary data	% discrepancies	2,6	2,5

## S.19 Load

GDP by the income method is compiled by the staff of the Bureau of national statistics in Excel. When forming GDP indicators by the income method, data from national statistical observations and administrative sources are used.

Duplication with other statistical work - no.

## S.20 Revision of data

### S.20.2 Data revision / A6

1) Data are revised in accordance with the terms specified in the Statistical Work Plan annually. Preliminary figures are published 4 months after the reporting period (T + 4 months). Reported data are published 8 months after the reporting period (T + 8 months). Reported data are final.

2) Revision in cases of changes in the methodology, classifier.

### S.21 Processing of statistical data

#### S.21.1 Initial data

The initial data for the formation of GDP by the income method are: data from industry statistics:

- report on labor (wage fund of employees, average monthly nominal wage per employee, real wage index);

- questionnaire for a sample survey of employment of the population (employed population by employment status);

- a report on the activities of a small enterprise (salary fund for employees, cash benefits to employees at the expense of enterprises, social insurance deductions, daily allowances during business trips);

- a report on the financial and economic activities of the enterprise (cash benefits to employees at the expense of enterprises, social insurance deductions, daily allowances during business trips);

administrative data:

- report on the execution of the state budget (Ministry of Finance of the Republic of Kazakhstan);

- expenditures of the state budget according to the specifics 311 "Subsidies to legal entities, including peasant (farmer) enterprises" (Ministry of Finance of the Republic of Kazakhstan).

#### S.21.2 Inspection frequency

year

#### S.21.3 Method (method) of collecting primary statistical data

The results of national statistical observations were received in the form of an Excel table from the sectoral departments of statistics.

Administrative data were obtained in the form of an Excel table within the framework of existing joint orders on the exchange of information with government agencies, upon requests through the ESEDO and from the official websites of data sources.

#### S.21.4 Reliability of primary statistical data

The analysis of data obtained from sectoral departments of statistics and administrative sources is carried out. During the verification process, the results obtained are compared with the previous period.

#### S.21.5 Imputation - share / A7

Not applicable.

#### S.21.6 Correction

Not applicable.

##### S.21.6.1 Seasonal adjustment

Not applicable.

#### S.22 Notes

Continue work to ensure the quality of statistical data.