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GLOBAL ASSESSMENT REPORT ON THE STATITISTICAL SYSTEM OF KAZAKHSTAN

January 2008

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A Global Assessment of the Statistical System of the Republic of Kazakhstan

Preface

The Global Assessment of the Kazakh System of Official Statistics, a joint mandate by the United Nations Economic Commission for Europe (UNECE) and the United Nations Economic and Social commission for Asia and the Pacific (UNESCAP), was carried out by the following three experts: Mr Petteri BAER, Regional Adviser on Statistics, UNECE, Ms Margarita GUERRERO, Regional Adviser on Statistics, UNESCAP and Mr Heinrich BRUENGGER, Director of the Statistical Division, UNECE. This assessment was focused on describing and analysing the present situation in the Agency of the Republic of Kazakhstan on Statistics (ARKS) and in the Statistical System of Kazakhstan as a whole, as well as their plans for improvement of capacity to provide, in a sustainable way, timely, accurate, authoritative and relevant information to users. The exhaustive and detailed analysis of all statistics was not part of the mandate; nevertheless, the report includes an assessment by broad subject area on whether the basic elements to produce key statistics according to international standards are in place either today or in the near future.

The assessment has exploited materials available at UNECE and UNESCAP, and detailed methodological descriptions provided by the ARKS and other providers of official statistics in Kazakhstan, both in printed form and on respective web sites. The present Global Assessment could benefit from the existence of a Global Assessment, performed in 2002-2003 by Eurostat and UNECE. The experts were also given a great range of additional material prior to, at the occasion of and right

after their visits to Astana. Two of the experts, Mr. Baer and Ms Guerrero made a first visit to Astana from 15 to 19 October 2007. Mr. Bruengger participated in this mission the two first days.

This was followed by a second visit from 14 to 19 December 2007 by Mr. Baer for additional information collection and for discussions on a draft of this report with leading Kazakh statisticians and the top management of ARKS. The latter visit was performed in cooperation with the World Bank, which in October 2007 – January 2008 has been supporting the preparation of a Statistical Master Plan (SMP) of the Agency of the Republic of Kazakhstan on Statistics for the years 2008-2015.

The visits to Astana performed for the Global Assessment – have included, among others, sessions with representatives from the Central Bank of Kazakhstan, the Central Customs Committee at the Ministry of Finance, as well as the Committee on Juridical Administration of the Supreme Court of Kazakhstan. Numerous discussions with tens of specialists from the ARKS have thrown light on the situation in the Agency and the Statistical System and have been invaluable in providing the basic information for the performance of this Global Assessment.

The content of the present Global Assessment and that of the Statistical Master Plan have been coordinated in order to facilitate forthcoming decisions on development of the Statistical System and the activities of ARKS.

Three staff members of UNECE – Mr Carsten Hansen, Ms Lyubov Chumakova and Mr Paolo Valente - have provided valuable assistance in completing texts on subject matter areas in Chapter 4, originally drafted by Ms. Guerrero, who had left the Statistics Division of UNESCAP at the end of 2007.

In Chapter 4 eight statistical subject matters are covered only with descriptions of the present situation, but remain, due to reasons connected with the Assessment process (not with the ARKS), without an Assessment. For three additional subject matters the previous Assessment, performed in the years 2002-2003, is solely

repeated. The organizations performing the Global Assessment wish to apologize for this obvious inconvenience.

On the other hand the Global Assessment includes a new and during the commencement of the work unforeseen element – an Attachment, discussing in detail how a modern National Statistical Office should look like in the light of the UN Fundamental Principles of Official Statistics and other definitions on Quality assessment and management (Attachment 1). The strong drive for structural improvements, observed during the now reported Global Assessment of the ARKS, has on its part motivated the writing of this voluminous Attachment, aiming at assisting Statistical Systems in general on the road to reliable, effiecient and quality concerned centres of statistical excellence.

The Management of the ARKS has been actively involved in discussions on the content of this Global Assessment. The Chairperson of the ARKS, Ms Anar Meshimbaeva, has on 6 February 2008 given her consent to its distribution both to related officials in the Kazakh Government and the Kazakh Statistical System as well as for its publication by the United Nations Commission for Europe.

The experts were greatly helped in their task by the staff of the ARKS, who did a good job in preparing the missions and organising the discussions, which have inevitably made considerable demands on the time of the management and of other staff. Without their contributions, and without the on-the-spot-translation during the first mission of many sessions provided by staff from the statistical office, it would not have been possible to carry out the mandate in such a short time.

Geneva 6 February 2008

Petteri Baer Heinrich Bruengger Margarita Guerrero

Executive Summary

1) The development of official statistics in Kazakhstan has a long history, dating back to the middle of the 19th century. Surpassing numerous stages of development the Statistical System in Kazakhstan is today of quite high standards and adhering in many respects in harmony with international recommendations. In the National Statistical Office - the Agency of the Republic of Kazakhstan on Statistics (ARKS) - all important international statistical classifications are in use. The implementation period of new classifications is usually less than two years, which for its part is corresponding well to a normal pace in any developed countriy. **In the Central Asian sub-region the Kazakh NSO provides an example of good working standards, adherence to the Fundamental Principles of Official Statistics and international networking. New structural changes in the production system, the range and practices of dissemination and the use of modern information and communication technology (ICT) are foreseen to take place in the next few years.** The **challenge**, especially for the management of the ARKS, will be to have comprehensive reforms executed and the ongoing production rolling at the same time. With the existing **determined orientation** on new and more efficient data collection and processing methods, the planned development of training and different forms of support for human resource's development, assisted by developing a broad and user-oriented dissemination strategy, **there are good prospects for the ambitious reforms to be put into practice.**

2) The detailed analysis of the present Law on State Statistics in Kazakhstan, provided in this Global Assessment, shows that, after the present revision in view of the next population census being finalised, **a more systematic revision of whole Statistical Law is strongly recommended**. The issues of **(1)** a clear separation between collection and use of confidential data for exclusively statistical purposes, or for other purposes with secondary use in official statistics; **(2)** the translation of the principles of impartiality and professional independence into institutional safeguards both for the NSO and the statistical departments of other producers; and **(3)** the instruments to ensure coordination and system-wide coherence should be regulated in a more precise ways in the law itself, and this will have an impact on many chapters of the present law.

3) The experience from most other countries underlines the importance of **having authoritative personalities representing different categories of stakeholders as members of an advisory body having the function to**

guarantee the existence of a forum for interactive communication on development issues of and in order to have a strong advisory role, assisting and advising the top management of the ARKS. It is therefore recommended that a **high-level advisory body** to the Chairman of ARKS should be created and that this body should have regular meetings at least on an annual basis. It could carry the name of Statistical Council. **The existence of the Statistical Council should be mentioned in the renewed Statistical Law**. It should be nominated by a high level body, based on a proposal, prepared by the Chairman of ARKS and it should have a time-limited mandate. The Statistical Council should have a strong advisory position in the implementation of the United Nations Fundamental Principles of Official Statistics into the whole Statistical System of Kazakhstan, not only the Agency of Statistics. It should also have a strong role in building up relations to different categories of the users of official statistics.

4) **Confidentiality** is fairly well protected in the ARKS and only some – unspecified – problems related with violations of confidentiality rules came up in the discussion with staff from different levels of decision making in the Agency during the Global Assessment Missions. However, protection of confidentiality is recommended **to be enforced both in future legislation on official statistics as well as in the institutional settings** of the different bodies producing and disseminating official statistics. This recommendation applies not only to the ARKS but to the Statistical System of Kazakhstan as a whole.

5) In revising the Statistical legislation **the coordinative role and obligations of the coordinative role of the ARKS should be strengthened**. A **body** for discussing and implementing coordination issues between the 15 different bodies producing official statistics should be established. The Coordination department of ARKS should have sufficient resources to assist the Chairperson of ARKS and the Coordination body in performing their work in this field of activities to avoid overlapping of statistical production, in ensuring confidentiality and adherence to the Fundamental principles in all parts of the Statistical system and in promoting its development.

6) **A reform of the staff structure of ARKS is inevitable**. The draft text of the Statistical Master Plan of January 2008 is rightly exemplifying the existing discrepancy by referring to the fact that ARKS employs more staff than the Australian Bureau of Statistics although the latter produces substantially more and better quality statistics for a larger population. A **change in the staff composition** of the ARKS is recommended to take place in the next few years **in order to achieve efficiency gains, modernize the ways of information collection and introduce more activities for the dissemination of statistical information also to other regional stakeholders than solely the public administration**. An increase of analytical and research work is foreseen as well as an optimization of the structure of the Agency's Headquarters and its Regional bodies. The latter aim is very understandable in light of the staff position number of the **Headquarters (186)**, in comparison with the staff number of the **Regional offices (4'040)**. As the presently filled-in vacancy number in the Headquarters is only 134, this discrepancy is even deeper.

These aims are already to some extent reflected in the planning documents of the ARKS and the in January 2008 presented Statistical Master Plan for the years 2008-2015.

7) The number of the differnt individual surveys in the ARKS is still, notwithstanding recent rationalization measures, very high. **Also the division of work on surveys should be generally revised**. It is not quite clear whether part of the still numerous surveys are used for collecting administrative and not statistical information. **Collection of administrative information should take place outside the statistical system. Collection of statistical surveys should on their part be restricted to the sole use of the statistical system**.

8) The ARKS has made an important decision to pursue an orientation of building up **a corporate Data Warehouse for its collected microdata**, facilitating modern and efficient data processing and analysis. In close relation to this the statistical use of classifications will be addressed. A coherent information system, based on extensive metadata specifications, is planned to be taken into use in the years 2009-2010.

9) To involve middle management and staff more to understand **the importance of relations to users of statistics** and to participate in building up these relations, a declared orientation on active dissemination of the ARKS has to be manifested by the Chairperson and the top management of ARKS. **A Marketing and Dissemination Strategy should be developed** and a number of **courses and seminars** should be arranged for department directors, unit heads and selected staff members. Already now – but at the latest in the proposed Dissemination Strategy - **a clear division of labour** between the Dissemination Unit, the Press and PR Unit as well as the Unit of Statistical Information and Economic Research at the Calculation Centre should be defined.

10) **The three units, working on dissemination and public relation issues** should have a **joint leadership** providing good cooperation in building up the service ability of the Agency and promoting the importance of statistical information in evidence-based decision making among the multitude of different stakeholders. In developing this well concerted dissemination mechanism guarantees for adhering to confidentiality principles in all spheres of activities should also be addressed.

11) The press release and express information system seems to work properly. **Structuring the release materials** on the web site and **adding links to related additional information sites and sources** into the releases would increase their usability and popularity.

12) The development of a **user-friendly service database for - at least the most used - aggregated statistical information through the web site of ARKS** could help to increase the range and number of users and also improve the user-friendliness of the ARKS information. Even basic MS Excel tables would

serve the cause better than the present information structure in the text processing software MS Word.

13) The ARKS has today very limited and mainly occasional relations with universities and research institutions. The needs for developing **a closer liaison with research institutions and universities** are obvious, motivated also by the simple need for regular and guest teachers and trainers in fulfilling the need to train existing and future ARKS staff.

14) Notwithstanding the **weakness of direct relations** between producers and users of official statistics **to the business community**, businesses nevertheless make indirect use of statistical information all the time. Consultants and corporate research divisions are used by business decision makers for preparing important business decisions. Almost always business professionals make use of statistical information in preparing estimations and recommendations for business decisions. The in 2006 established "Business Council" could possibly be developed into a body, which could provide the ARKS with information on the needs of bigger enterprises and other businesses in the field of statistics. This body could possibly also assist in **developing user relations to the business community**.

15) As also the networking and relationship building to **numerous other existing and potential user categories of official statistics** are still quite non-developed and non-systematic. **The need for developing a Marketing and Dissemination Strategy** for ARKS for building relations to different user categories and important stakeholders **is evident**.

16) **The experiment of having a Council of the Public**, based on a voluntarily participation basis, can provide interesting results that are worthwhile to analyse after 1-2 years experience. This new practice **could even possibly be developed into having 3-4 different sub-councils** of the same type for communicating with separate user groups of statistics: research community, business community, NGOs, libraries and others – as their **need structures of statistical information** and matters of communication with the ARKS **are quite different** from each other.

17) As the support of modern **information technology** is of great importance for all future development of ARKS, it is imperative that ARKS has full control over the IT work, needed for both production and dissemination of statistical information. A satisfactory working relation in the relations between the two juridically independent organizations is not sufficient, as IT is of core importance for success of any important strategic challenge ARKS faces – the relation is recommended to be better integrated. **The statistical Agency should be in full control of its IT development** and a combined reform of (1) merging the Calculation Centre into the organization of ARKS together with (2) guaranteeing needed flexibility in the recruitment and definition of IT staff salaries should be considered.

18) The statistical legislation does not presently guarantee **accessibility for the producers of official statistics** – or even explicitly for the Agency of Statistics - to have access **to administrative data sources or registers**. It would be in the interest of the whole Kazakh public administration that the structures and operating practices of most of the administrative registers would be developed to ensure a better cooperation with the ARKS and other producers of official statistics.

19) The broad participation of middle management and staff members in the development of quality issues is decisive for the new aspirations on **quality issues**. Good quality cannot be achieved solely by actions of a specialized Unit or even a Department working by itself on quality issues. Good and tangible results in this field presuppose **broad training activities of staff members both on awareness and methods to encounter and solve quality problems in a systematic way**.

20) The need for training the staff is clear and obvious. The initiative to establish **a Centre for Statistical Education and Research in 2008 in Astana** as a new function of the ARKS can for this reason be strongly supported. This new Centre will aim at providing training for staff members working both in the Headquarters as well as in the regions. It will perform training functions also in the preparations of the Census 2009 and possibly also serve as a facility for joint training efforts in the Central Asian sub-region.

21) In addition to the regular training received by civil service officials, the ARKS staff avails of international **training offered by TACIS, United Nations agencies such as SIAP, UNECE Statistical Division, UNESCAP Statistics Division, UN Statistics Division, UNFPA, IMF and others**.

22) The share of staff members mastering the international "lingua franca" in the statistical world of today is still quite low. The importance of improving **English language skills** of the staff in order to benefit from the large volume of available materials on statistical methodologies and developments is – once more – emphasized. English language education **should still more strongly be enforced by supportive activities of the ARKS and other producers of official statistics**.

23) The interest of the **ARKS** to **host and organize international training and workshops is a development to be welcomed,** especially in relation to the practical training needs of neighbouring Central Asian countries. **International statistical institutions should coordinate with the ARKS and develop a plan for assisting the ARKS in realizing these plans.**

24) It would be important for the ARKS to set up a **classification server** for making the use of the classifications easier in the production process. It should include the present classifications, the former classifications, transition keys, links between the classifications and links to other administrations that shall help to support a nation-wide harmonisation of classifications. This classification server could possibly also be used by other public agencies and

organizations having responsibilities in establishing and updating administrative registers. In this way such a repository of classification server could support also other organizations producing official statistics in Kazakhstan.

25) The efforts to make use of both population and dwelling **registers** in the preparations of the forthcoming Population and Housing **Census** can be strongly supported.

26) **Microdata information on individuals or household relations**, e.g. microdata collection results of the Census should not be directly used for updating the administrative Register of Physical Persons by authorities outside the Statistical Agency. International standards clearly recommend **refraining from updating administrative registers with data from statistical information collections**, based on an assurance of confidentiality issues. The Census belongs to this category of information collections. The flow of microdata can go only in one direction – from administrative registers to statistical registers.

27) The results of the forthcoming Population and Housing Census 2009 will – no doubt – be used as a sampling frame for numerous statistical surveys in the forthcoming years. **It is recommended also to put efforts in finding new ways to update the samling frame for these surveys in the future**, partially making use of increased cooperation with administrative registers and other ways of information collection.

28) The Labour **Force Survey should cover all forms of employment**, including the employment in the non-observed sectors of the economy.

29) It is not clear, whether the recent Agricultural Census results are used as a basis for developing sampling methods for the production of agricultural statistics. If this is not the case, it is highly recommended to develop a **sampling frame for agricultural surveys** and to develop ways to have this frame updated. This would largely bring **efficiency into the way of producing agricultural statistics**, as compared to the methods, developed in the situation of planned economy and big agricultural production units.

30) The Consumer Price Index (CPI), published on the ARKS webpage can be found compared to the preceding month, to December previous year, to the same month of previous year, or to the same period (cumulative) of previous year. However, in order to meet user needs, **it should be considered to make long, fixed base time series of the CPI available** online. **The same recommendation can be given on the production and publication of PPI time series and other short term indicators**.

List of Acronyms

ABBREVIATION	Meaning
ARKS	The Agency of the Republic of Kazakhstan on Statistics
ATP	Administrative and territorial transformations
BOP	Balance of Payments
BPM5	IMF's MBalance of Payments Manual Number 5
CES	Conference of European Statisticians
CIS	Commonwealth of Independent States
CN	Combined Nomenclature
CN EU	Combined Tariff and Statistical Nomenclature of the European Union
COICOP	Classification of Individual Consumption by Purpose
CPA	Classification of Products by Activity
CPA	Certified Public Accountant
CPI	Consumer Price Index
ECO	Economid Cooperation Organization
ESS	European Statistical System
EU	European Union
FISIM	Financial Intermediation Services Indirectly Measured
GA	Global Assessment
GDP	Gross Domestic Product
GFSM	IMF's Government Finance Statistics Manual
GRP	Gross Regional Product
HIES	Household Income and Expenditure Survey
HS	Harmonized System
ICSE	International Classification on Status in Employment
ICT	Information and Communication Technology
ILO	International Labour Organization
IMF	International Monetary Fund
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification
LFS	Labour Force Survey
MICS	Multiple Indicators Cluster Survey
MMFS	IMF's Manual on Monetary and Financial Statistics
NACE	The European Union's Classification of Economic Activities (Nomenclature Générale des Activités Économiques dans les Communautés Européennes)
NBK	National Bank of Kazakhstan
NGO	Non-Governmental Organization
NPISH	Non-Profit Institutions Serving Households
OECD	Organization for Economic Cooperation and Development
PDF	Portable Document Format (Adobe Acrobat)
PIN	Personal Identification Number
PRODCOM	The European Union's Classification of Products Produced by the Industrial Sector
SDDS	Special Data Dissemination Standard
SMP	Statistical Master Plan

ABBREVIATION	Meaning
SNA	System of National Accounts
SNTVUT	Statistical Nomenclature of the Goods by Kinds of Trade
TACIS	Technical Assistance to the Commonwealth of Independent States (by the European Union)
UN	United Nations
UNECE	United Nations Economic Commission for Europe
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFPA	United Nations Population Fund
USD	United States Dollar
VAW	Violence against Women
VPDN	Virtual Private Dial-up Network
VPN	Vortual Private Network
WHO	World Health Organization

Introduction

Although elementary roots of statistics in Kazakhstan dates back to the 15th century, the first official institution, commencing production of some statistical information on Kazakh territory, was the Statistical Commission of the Turkestan Province, established in 1868 at a time, when the present lands of Kazakhstan were part of the Russian empire.

The predecessor of the present Agency on Statistics was established by a decision of the newly formed Kasakh Autonomous Soviet Socialist Republic on the 8th of November 1920. In the 1960'ies the organization was renamed to be a Central Statistical Office and with the proclamation of independence of Kazakhstan in December 1991 a new period of being a National Statistical Agency began.

The recent 15 years of the National Agency of Statistics can be seen through three development periods:

- 1992-1996 – formation of the agency as a National agency, building up basic methodological know-how, which earlier had been concentrated to Moscow, building up basic international relations and membership in international statistical organizations, creation of a calculation system of national accounts;
- 1996-1998 – compilation of national accounts on the basis of the international recommendation SNS-93, starting up the systematic use of internationally agreed statistical classificators, commencement of the creation of statistical registers, introduction of statistical methods for producing information on small-sized enterprises, introduction of new information and communication technology;
- 1999-2005 – implementing international classifications in practically all fields of statistical production, development of statistical registers as a basic tool of statistical activities in the sphere of economic statistics, performing successfully the population census of 1999 and developing

new demographic and social statistics, increased use of information technology and activisation in the field of international cooperation.

The ARKS is today an independent government institution operating under the Decision Nr. 325 of the Kazakh Government of March 30, 1999.

The presently ongoing programme phase 2006-2008 can be characterized as a preparatory period for deep structural reorganizations of the ARKS. It has concentrated on improving the quality of statistical information and on introducing more international standards into the work performed. This has taken place in good cooperation with Eurostat, other National Statistical Offices and donor organisations, the International Monetary Fund, the World Bank and numerous organizations of the United Nations.

1. Legal Setting

1.1 The Law on State Statistics

The present Law of the Republic of Kazakhstan on State Statistics dates from 1997, with amendments and revisions introduced in 2001, 2002 and 2004. The Law on Statistics can be found in English translation in Attachment 3 of this Global Assessment.

The Law addresses the whole system of state statistics - however, without using the term system - and mentions several, but not all United Nations Fundamental Principles of Official Statistics. It has allowed ARKS to carry out the part of official statistics in its competence in such a way that the Agency has been able to gradually approach international standards, both with regards to methodology and the respect of the fundamental principles in practice.

The Statistical Law is presently undergoing a revision with the objective to be a more solid legal basis for the next population census, planned to take place in 2009. The other issues mentioned below are not addressed by the ongoing revision, however.

The law has many provisions that are perfectly in line with good practices of basic statistical legislation in the UNECE region (see Attachments 1 and 2), and this should not be forgotten when considering the rest of this chapter, which focuses on important gaps in this law that should be addressed in a future revision of the present law, or even better through an entirely new law.

Leaving the issues mentioned below to lower level legislation is likely to be insufficient for withstanding contradictory provisions that may exist in other laws.

This is especially relevant for the issue of confidentiality. Though the present practice in the ARKS is not very distant from a good level of compliance, the absence of some principles and corresponding safeguards at the level of the law itself leaves them open to the risk of interference and pressure for exceptions. In addition, there is an ongoing need for promoting the new concept of official statistics to both users and respondents in order to maintain and further strengthen trust and credibility of official statistical information; a more explicit Statistical Law, and a public visibility of this issue when a possible new law were to be discussed by the Parliament, would certainly be helpful for this purpose.

The three main weaknesses of the present law can be summarized as follows:

- There is no clear separation between statistical and non-statistical purpose concerning data collection, confidentiality, data processing and dissemination. As one consequence, the borderline that should separate the system of official statistics from other parts of the administration is blurred.
- The principles of impartiality and professional independence are mentioned in the law (Article 4), but without being translated into institutional safeguards.
- There are no provisions addressing the interaction between the producers, and the decision-making processes about state statistics.

1.2 Separation between statistical and non-statistical purposes

In a centrally planned economy, statistical purpose included the control of individual economic units. In a system of official statistics based on the Fundamental Principles, however, a clear separation between data collection, compilation and dissemination for purely statistical purposes, excluding any use for the control of individual units from outside the government sphere, on the one hand, and for control or administrative purposes on the other, is essential. Since this is a relatively new distinction in the case of Kazakhstan, it is the more important that it has a clear legal basis, and the implications are clearly spelled out in the law itself.

The first consequence of a strict separation concerns the scope of a Statistical Law, and the definition of statistical surveys. Statistical surveys should be defined as data collection from respondents for exclusively statistical purposes, but the crucial latter part is missing in the relevant definitions in Article 2, leaving the door open for subsuming under surveys any data collection for administrative purposes with secondary statistical use. The scope of a Statistical Law should therefore be clearly stated as comprehensive from design of survey to the dissemination of results in the case of statistical surveys as defined above; administrative data sources would fall under the statistical legislation only from the time the data are detached from their primary administrative use and transmitted to a unit that concentrates on their statistical use. In no case, primary data collection for administrative purposes should be based on statistical legislation or statistical programmes, because this might give rise to a misperception from respondents about the use of the information they are asked to provide through statistical questionnaires and forms.

In the Global Assessment process ARKS credibly stated that none of the data they collect from respondents - with the possible exception of those used for the State Statistical Register mentioned in article 9 - is used for administrative purposes against individual units, but article 9-1 involves the Akim of the village, which has administrative and control functions, into data collection from households surveys in a very broad way. This is worrying from the point of view of a clear separation between data collection for purely statistical vs. other purposes. A potentially even clearer infringement on this principle is stated in the part of Article 11 that states as a duty for ARKS to “represent gratuitously required information by the way of the procedures established by the legislation on the requirements of the public prosecutor”, with the possible implication that the vague term “required information” subsumes confidential data on individual units. This is an unfortunate invitation for prosecutors to ask for individual data for a clearly non-statistical use. The definition of “state statistical reporting”, with the requirement that the forms be signed to ensure reliability, is also a sign for possible use as evidence in non-statistical procedures such as in courts.

The mixing of the two purposes seems even more frequent for the "surveys" carried out by other producers. The mentioning of "control over the statement of primary accounting and statistical reporting in agencies, to examine reliability of the received in data" as part of the tasks of the other producers in Article 12, is a clear sign of the old concept of state statistics, still prevailing there.

The distinction between statistical and non-statistical use is a key element of confidentiality. This issue is addressed in Article 13, but there is no definition of confidentiality that includes the two constitutive elements: an absolute guarantee of exclusion from non-statistical use of individual information, and a strict ban on disclosing individual information to any user outside the statistical system except where the Statistical Law (not any other law) allows it - normally for research purposes and to international organizations, under strict conditions.

The first sentence of Article 13 introduces another type of proviso for the confidentiality principle through the clause "based on the statistical programme". Does this mean that the statistical programme can contain exceptions to the confidentiality principle, and if yes in what form? This opening is rather vague, and it might be used for emptying the confidentiality principle from much of its content for certain surveys, especially for surveys of other producers, to which Article 13 is explicitly applicable thanks to one paragraph of Article 12.

For clear rules on confidentiality, the boundary between what is inside and outside the statistical system has to be clear, and this boundary has to be different from the distinction government versus outside government. A clear indication is missing in the law, however; and therefore the statement that "primary statistical data can be disseminated only by consent of physical and legal persons" (Article 13) does not without doubts exclude dissemination between government units without consent, whether the receiver is within or outside the statistical system.

In order to make transmission of confidential data between ARKS and another producer of official statistics possible without risk of non-statistical use, these other producers have to assign their statistical tasks to a specific organisational unit of

their own, and it is this unit only that should be declared part of the system of official statistics. The requirement for a producer of official statistics to separate its statistical activities from other activities that may create a conflict of interest, especially concerning non-statistical use of data, are presently not be found in the law (on this issue, see also the discussion on impartiality below in sub-chapter 1.3), but this is essential for a ministry or government agency, whose core task is not statistics, to be able to act as producer of official statistics in a credible way.

Lastly, it is not clear whether the state statistical register, mentioned in Article 9, is used exclusively for statistical purposes, or whether it can be used for administrative purposes as well. The ARKS is in charge of this register. It is not clear whether this is a register of economic units (Business Register) only, or whether it also includes a population register. Since the Article gives to the ARKS, as responsible organization, access to all sources from other agencies to update this register, and implicitly the authorization to match all these sources (plus any data from statistical surveys carried out by ARKS itself) for the updating of these registers, the purposes and conditions of access would have to be specified in the law. The clause in Article 13, according to which wider access is limited to characteristics that are publicly accessible, is not sufficient as limitation, because some sources that are used to update such characteristics may not be public.

1.3 Impartiality and professional independence

Impartiality is essential for the credibility of statistical results being an unbiased reflection. It is closely linked to professional independence. While the latter is addressing the decisions on methods in collection and processing, as well as decisions on all aspects of dissemination, the former is about possible conflicts of interest for producers of official statistics, and about impartiality in access to results of statistics for all users.

For the ARKS as the central producer of official statistics, statistics should be the exclusive task. In particular, ARKS should not be made responsible for any

decisions of administrative character such as control over single economic units, nor be in charge of policy advocacy. The last paragraph of Article 10 seems to open the possibility that ARKS be charged by the government with other tasks, not linked to statistics. Is this used in practice, and if yes, how? Furthermore, if the State Statistical Register were to be used for administrative purposes, this would clearly expose ARKS to an undesirable conflict of interest and blur the credibility of its pledge in statistical surveys that data are only used for statistical purposes, if such surveys are used for updating this register.

The most important gap for the ARKS in terms of impartiality is the lack of any provision in the law that results of official statistics have to be disseminated to all users simultaneously. Government users should not have advance access. If this is not unambiguously stated in the law, ARKS may be in some difficulties to withstand pressure for advance information or even clearance prior to release, although this does not seem to be an issue in the present circumstances. While Article 4 addresses the issue of accessibility, the specification "within the limits set by the legislation of the Republic of Kazakhstan" is worrying. Which other legislation than the Law on State Statistics is relevant in this context?

Concerning methods of data collection and processing, the principle of professional independence is stated in clear terms in Article 8, but for the ARKS only; there is no parallel post in the article concerning other producers of official statistics.

Dissemination does not seem to be included, and it is essential for the ARKS that it can decide without interference about release dates and the ways and contents of releases. The practice of advance release calendar, to which ARKS fully adheres, is a useful preventive measure against interference, and it is also part of the SDDS obligations as concerns some macroeconomic and financial indicators.

The principle of professional independence should be translated into institutional safeguards concerning the status of the ARKS and its Chairperson. It is important that the selection process and the terms of office for the Chairperson of ARKS are such that this post is not perceived as a partisan-political one. Fixed term of office,

independent of changes in government; strict limits on reasons for which the chairperson can be obliged to leave during the term; an open competition for this post based on merit and with professional background and experience as prerequisites for being appointed are safeguards that should be mentioned in the law, and preferably in the Statistical Law since they are likely to deviate form the general rules applicable for this senior-level appointments in other parts of the executive branch.

The two principles, discussed here are more difficult to respect for other producers, because they are in charge of many other tasks than statistics, which in many cases can put doubts on impartiality and professional independence for official statistics. The assignment of statistical tasks to a clearly distinguished organizational unit (see above) is a necessary condition that is not mentioned in Article 12. Other producers must demonstrate that they are willing and able to perform official statistics tasks in line the Fundamental Principles and international standards applicable to their respective areas of responsibility. Article 4 is theoretically applicable to all producers, but it is not clear how adherence by other producers to these principles can be monitored in practice. More worrying is that the precise definition of professional independence in Art. 8 is applicable only to the ARKS, and that there is no obligation for these other producers of official statistics. An example: Article 11 concerning ARKS mentions to "provide access of aggregated statistical data for physical and legal persons". Does this mean that the results of the statistical work of other producers are not available publicly? This leaves the statistical activities of other producers with little protection and, with the possible exception of the National Bank, without incentives to make moves towards a modern concept of official statistics.

1.4 Interaction between producers; Coordination within the statistical system

Within the statistical system, producers are not independent from each other; they must interact in a way that the system is both manageable and efficient. For this purpose, the main producer of official statiststics is usually assigned the responsibility of the overall coordination function of the system; this is also the

case for ARKS in the Law on State Statistics (Articles 3 and 8). Furthermore, Article 3 puts a emphasis on a "unified system of statistical information".

However, neither the coordination instruments, nor the decision-making mechanisms for issues like statistical programmes are described. The ARKS has the right, according to the last paragraph of Article 8, "to publish legislative acts in the sphere of state statistics". If this clause meant that the chairperson of ARKS in practice has the competence to decide, within the range of issues covered by professional independence, about norms and standards that are binding for all producers, this could be one important instrument to enhance coherence, but this would have to be spelled out in more detail. Another clause in the law that may hint at an instrument of coordination is the "programme of state statistical supervision" in Article 10 under the rights of the ARKS, but the legislative text does not make it clear, what is implied. How the division of work within the system is established, i.e. which producer is in charge of what, and on the basis of which criteria?

The issue of statistical programmes is not very clear either. Article 8 requires ARKS to "coordinate statistical activities of state bodies on the basis of adoption of statistical survey programme". On the other hand, other producers, according to Article 12, should develop "programmes of institutional statistical surveys". Are the latter separate from the former? Who adopts the various programmes? Nothing is said about the involvement of users in the preparation of statistical programmes, nor is there a legal basis for an advisory body where draft statistical programmes are discussed prior to adoption. Programmes seem to be focused on surveys, i.e. forms of data collection, but not on what users interests most, i.e. results. Key results in official statistics are not derived from one single survey, but increasingly from combining various statistical and administrative sources as in the case of national accounts. The terminology concerning surveys (institutional vs. national statistical surveys) is not clear either, in spite of definitions provided in Article 2. And in what respect do they differ in practice from another definition, contained in Article 2, i.e. state statistical reporting? Another missing element is ex-post activity reports about the implementation of programmes.

It can also be noted that in presenting legislative issues on its web site – www.nationalbank.kz – the National Bank does not even mention the Law on State Statistics. Only legislation on Bank Activity, Currency Regulation and Payment Systems come up on the site mentioned. On the web site of the National Customs Committee – www.keden.kz – there is (in the Russian language) a search possibility for about 140 legislative acts related to Customs services. The Law on State Statistics is not to be found among these. Many observations point at the Law on State Statistics being today in practice perceived not a legislative base of the Statistical System but that of the the Agency on Statistics.

1.5 Other comments on individual articles

Article 3, paragraph 2: It is impossible that a system of official statistics "should satisfy all needs of physical and legal persons". Limited resources and the response burden are limiting factors in any country.

Article 5, paragraph 1: Mentions, in addition to the Law on State Statistics, "other national legislative acts" as the basis for state statistics. What are these other legislative acts? Are they of the same level as the Law on State Statistics? How are conflicting provisions from two different laws in that case resolved in practice? Are there examples of such conflicts?

Article 8, paragraph 3: This reads as if only natural persons would be obliged to respond in statistical surveys. Response obligations for legal persons seem to be covered in Article 10, paragraph 2. Why this separation?

Article 10, paragraph 5: The last part is unclear. Is this the legal basis for the ARKS to have access to administrative records, collected by other parts of the government, if these records should be used by ARKS for statistical purposes other than updating the ARKS registers? If this is the case, this should be stated in much clearer way. If this is not the case, ARKS would not have the legal right to access any administrative data for any statistical purpose, as required in the UN Fundamental principles about the choice of sources.

Other elements related to the UN Fundamental principles that are not covered at all in the Law on State Statistics of Kazakhstan:

- Use of official statistics for evidence-based decision making and as a means of accountability and transparency in a democratic society;
- Transparency of sources and methods;
- Entitlement to react on erroneous interpretation and misuse of statistics;
- Consideration of the response burden of individuals, enterprises and organisations;
- Possibility for researchers to access confidential data for their own statistical purposes linked to research (under strict confidentiality protection provisions;
- Access to administrative data sources for ARKS as sources for official statistics in general, and not only for updating registers.

Assessment:

The detailed analysis of the present law shows that, after the present revision in view of the next population census being finalised, a more systematic revision of whole law is strongly recommended. The issues of (1) a clear separation between collection and use of confidential data for exclusively statistical purposes, or for other purposes with secondary use in official statistics; (2) the translation of the principles of impartiality and professional independence into institutional safeguards both for the NSO and the statistical departments of other producers; and (3) the instruments to ensure coordination and system-wide coherence should be regulated in a more precise ways in the law itself, and this will have an impact on many chapters of the present law.

1.6 Statistical Council

There is for the moment no body working as the Statistical Council in Kazakhstan. The Statistical Law does not presently include any specific mentioning of the

procedure for establishing a Statistical Council; neither does it define the main tasks of such a Council. During the first mission of the Global Assessment a "Council of the Public", based on voluntary participation of statistics enthusiasts, was reported to be in existence. The problem with the more authoritative and representative Council of previous years was said to be the difficulty to get its members together for meetings, as highly placed participants were too busy to find time to come together for the consideration of statistical issues.

In earlier years a Statistical Council has been in existence, nominated by the Chairperson of the Agency. The Decision taken on 18 April 2005 on the establishment of the previous authoritative Council (Положение об Общественном совете по совершенствованию государственной статистики при Агенстве Республики Казахстан по статистике) mentions as the general basis for the work of the Statistical Council, inter alia, the Constitution of Kazakhstan, as well as giving guidance on the implementation of the international principles of official statistics, as outlined by the UN and EU, into the statistical development of Kazakhstan. The 12 members of this Council, chaired by the Chairman of the Agency (at that time Mr Bakhtir Sultanov), were highly posted persons representing a broad variety of stakeholders from research institutions, public administration, business circles, information technology and media. The Statistical Council – carrying the name "Social Council" - had as its tasks to discuss questions of the relations of physical and juridical persons with state statistics, secure the reflection of interests of different user groups in the statistical programmes and plans, make proposals on the development of state statistics ensuring objectivity, reliability and equal access to statistical information and to discuss questions related to the optimization of the response burden of respondents.

A cooperation body for interaction with the emerging business community in Kazakhstan has recently been established. It is called the "Business Council". It was established in 2006 and has since then comes together about twice a year. This Council has – at least so far – dealt only with efforts to limit the response burden to the enterprises in Kazakhstan. This effort is, in fact, well in line with the efforts on simplifying the information collection processes the ARKS now strongly is aiming

at in its modernization work. The "Business Council" could possibly be developed into a body, providing the ARKS with information on business needs in the field of statistics and to assist in developing user relations to the business community of Kazakhstan.

Presently there exists, besides the voluntarily based Council of Public and the Business Council, still another advisory body, called the "Methodological Council". It consists of the Chairperson, the Chief Executive Secretary and the three Deputy Chairpersons of the Agency. It is, however, a totally internal body of the ARKS and deals with methodological and development issues of the Agency, presented to it by Department Directors and/or Unit Heads. Decisions are made not only on methodological issues and implementation of international standards into the work of the Kazakh Agency but also on financial issues, new production issues and prioritization of resources.

In March 2007, a separate internal body of the Agency, called the "Working Group for Modernization of Statistical Systems in the Agency of Statistics", was constituted by the ARKS. Its challenge is to lead the restructuring process of the production system, aiming at diminishing stove-pipe structures and at setting up a Data Warehouse for collecting and processing microdata by the end of 2008. The setting up of a metadata repository by 2010 is also the responsibility of this group. A systematic quality control mechanism also needs to be developed this will take place under the guidance of this body. It is also responsible for making proposals on the development of a suitable quality management system.

Assessment:

The experiment of having a Council of the Public, based on a voluntarily participation basis, can provide interesting results that are worthwhile to analyse after 1-2 years experience. This new practice could even possibly be developed into having 3-4 different councils of the same type for communicating with separate user groups of statistics: research community, business community, NGOs, libraries and others – as their need structures of statistical information and matters of communication with the ARKS are quite different from each other.

However, experience from most other countries underlines the importance of having authoritative personalities representing different categories of stakeholders as members of an advisory body having the function to guarantee the existence of a forum for interactive communication on development issues of and in order to have a strong advisory role, assisting and advising the top management of the ARKS.

It is therefore recommended that a high-level advisory body to the Chairman of ARKS should be created and that this body should have regular meetings at least on an annual basis. It could carry the name of Statistical Council. The recently established state coordination body for Census preparations (Committee on Population Census, chaired by the Deputy Prime Minister of Kazakhstan), having a broad representation from different stakeholders in relation to Census preparations and activities, could – possibly with a smaller number of members – serve as one good example for the establishment of the advisory body proposed.

The existence of the Statistical Council should be mentioned in the renewed Statistical Law. It should be nominated by a high level body (President, Prime-Minister or Government, based on a proposal, prepared by the Chairman of ARKS). It is also recommended that the body should have a time-limited mandate. The Statistical Council should have a strong advisory position in the implementation of the United Nations Fundamental Principles of Official Statistics into the whole Statistical System of Kazakhstan, not only the Agency of Statistics. It should also have a strong role in building up relations to different categories of the users of official statistics. Both basic functions mentioned underline the need for enhancement of the coordinative role of the ARKS in the future development of the Kazakh Statisitical System[1].

[1] A principal decision on the establishment of a Statistical Council has been made in January 2008 – partly based on the discussions taking place on this Global Assessment in October and December 2007 – to form an authoritative Statistical Council. It is planned to be led by the Prime Minister and the process of appointing its member is taking place in February-March 2008. Notwithstanding this positive and good reaction on part of the recommendations this Global Assessment has already had an influence on, the need to have the existence, working period and nomination process of the Statistical Council embedded in the statistical legislation of Kazakhstan still remains to be implemented.

The role of the Business Council should be broadened from focusing only on questions related to the response burden of enterprises. It could provide more systematic information on the statistical needs of the business community as well as have a role in making the services of ARKS known to potential business users of statistical information.

1.7 Statistical Confidentiality

The ARKS manifests clearly its adherence to the United Nations Fundamental Principles of official statistics. They are published on the web site of the Agency in three languages; they are the first document to be encountered in the materials describing the legal basis of official statistics. Even in a booklet on statistical legislation the Fundamental principles serve as an introductory document.

The interviewed middle managers and individual staff members seemed during the two missions undertaken for the present Global Assessment to be well aware of confidentiality principles and the importance of protecting microdata on individuals, enterprises and organizations.

On the other hand a survey on users' perceptions, performed in 2007 by the ARKS indicated that some respondents did not believe that the Agency actively protects confidentiality. Suspicions of problems with confidentiality issues were limited mainly to some specific regional offices.

All staff members sign a juridical document stating that the staff member will adhere to the Agency's confidentiality rules. Penalties for possible violations are, however, quite low.

In 2007 there had been a request to the ARKS from the anti-monopolistic authority of Kazakhstan to deliver information on certain enterprises being under suspect for violating anti-monopoly legislation. The ARKS refused, referring to confidentiality of the data, collected for statistical purposes. The case was largely discussed in the public. Finally the vice prime minister took the side of the ARKS, defending

confidentiality, and so the ARKS could refrain from delivering the sensitive material.

Notwithstanding the good outcome of this single case for statistical confidentiality, there are still cases, where the police or the prosecutor's office's demand evidence materials for investigations or juridical processes from the Agency of Statistics. The demands are usually turned down, but there are also special cases, when this does not happen. No exact material was available on this, only hearsay.

Assessment:

Confidentiality is fairly well protected and only some – unspecified – problems related with violations of confidentiality rules came up in the discussion with staff from different levels of decision making in the Agency during the Global Assessment Missions.

A problem, referred to in more detail in later in Chapter 2.4 is the scattered organizational structure of dissemination of statistical information materials. The dissemination of tailor made statistical materials takes today place through the Calculation Centre, not the Statistical Agency itself. This is due to present legislation which prohibits Kazakh ministries and alike to provide chargeable services. Although the Calculation Centre is subordinated to the ARKS, it is, however, a juridically independent unit. In order to safeguard the confidentiality of statistical data it should be considered that all tailor made statistical services should be confidentiality checked by the ARKS before they are handed over to customers of the Calculation Centre.

2.National Statistical System

2.1. Principles

The Agency of the Republic of Kazakhstan on Statistics (ARKS) is, according to the Law on State Statistics of 1997, an authorized body that formulates and implements public policy in the field of statistics. It develops and implements programs of improvement of official statistics. According to a presidential decree of 1998 the ARKS is a central executive body, which, however, is not participating in the executive work of the government of the Republic. Other bodies in the Statistical System are the National Bank, the Customs Control Committee working under the Ministry of Finance and a number of other ministries and agencies. A list of the bodies, producing official statistics in Kazakhstan, can be found in Attachment 6 of this Global Assessment Report.

ARKS is independent in the choices of methodology and techniques, within the limitations, referred to in Chapter 1. It aims at developing a uniform statistical system based on scientific methodology and international standards assuring integrity, reliability and sufficiency of statistical data. An explicitly mentioned goal in the Law on State Statistics and on the web site of the Agency - www.stat.kz - is comprehensive and unbiased study, generalisation and analysis of economic and social processes and tencencies of the development, taking place in the Republic as well as accessibility and openness of statistical data. However, the Agency needs to have the approval of the government for introducing new statistical activities into its working program.

The publication of statistical releases takes place without interference from governmental or presidential institutions. They are published on the web site of the Agency and in press releases or express information releases, clearly indicating the source of information to be the ARKS.

Statistical information is released at the same moment to all user categories. No state bodies have access to statistical information in advance of its official release time. In earlier years information on the Balance of Payments data were sent from the National Bank to the government three days prior to the release, as was both notified and criticized in the Global Assessment of 2002-2003. This is no longer the practice – no high-posted state officials receive any advance information on official statistics previously to any other user categories.

The list of publications and services of the Agency of Statistics is published in a Publication Catalogue and on the web site in three languages, Kazakh, Russian and English. The list on the web includes publication dates, partly with exact dates, partly only mentioning the publication month. The amount of publications is impressive – more than 300 titles published regularly by the Headquarters on a monthly, quarterly or annual basis plus 8 titles published by regional offices for public authorities in 2007.

The United Nations Fundamental Principles of Official Statistics is published on the web site of ARKS. There is a plan to publish also the Code of Practice of the European Statistical System on the web site of the Agency, as the recently commenced quality work takes further steps (on quality work, see sub-chapter 3.3). The idea and content of the Special Data Dissemination Standard (SDDS) is published on the web sites of the National Bank and the ARKS together with a detailed Data Dissemination Calendar of the SDDS items.

Assessment:

Basically the Agency of Statistics is following the guidelines of the Fundamental Principles of Official Statistics and these Principles seem to be well known among chiefs and staff members. The Kazakh Agency of Statistics is independent in its choice of methodology and techniques. Dissemination of statistical information is developed when compared to other Central Asian NSOs. However, both the activity level and the user-friendliness of dissemination have still to be developed. In comparison with the practicality and user-friendliness of the web site of the National Bank of Kazakhstan, the ARKS's web site is severely lagging behind.

2.2. Structure of the System

According to Article 3 in the Law on State Statistics, the statistical system of Kazakhstan is based on unified methodology and centralisation.

The Agency of Statistics consists of its Headquarters in Astana, 16 regional offices and the juridically independent Calculation Centre. Headquarters has presently less than 200 posts, out of which 134 are filled with real staff members. It leads the activities of the 16 Regional offices with a totality of 187 local offices, in which altogether 4'040 staff members are working. It also owns and supervises the work of the Calculation Centre. The Calculation Centre presently has altogether 269 staff members; its leadership is based in the same building as the ARKS Headquarters in Astana, but majority of the staff are still based in the former capital Almaty. The Calculation Centre has slightly over 1'000 staff members working in the different Regional and Local offices. A presentation of the organizational structure of ARKS can be found in Attachments 4 and 5.

Besides the Agency of Statistics altogether 12 ministries, the National Bank, the Agency of Informatisation and Communication and the Agency of Natural Resources are responsible for producing part of the Official Statistics in Kazakhstan. There are altogether 15 administrations producing official statistics in Kazakhstan on the state level. A detailed list of the organizations, belonging to the Statistical System of Kazakhstan can be found in Attachment 6. The Attachment also contains information on the number of these organizations' staff members, working with official statistics.

Not all of these ministries and other organizations have separate divisions for the production of official statistics. Besides the ARKS only the National Bank has a high level officer – Deputy Director – responsible for the production of statistical information.

Some of these administrations also make use of the above-mentioned Calculation Centre for producing and/or disseminating the statistical information they publish.

The Ministry of Finance is responsible for producing and disseminating government finance statistics. Through the Customs Control Committee, which is part of this Ministry, the Ministry of Finance is also responsible for the production and dissemination of foreign trade statistics of goods.

The National Bank is responsible for producing statistics of capital flows, statistics on trade in services and the Balance of Payments. The National Bank closely cooperates in its statistical work with relevant international organisations, in particular with the International Monetary Fund, so that the international comparability of the data is guaranteed.

The National Bank has a modern web site – www.nationalbank.kz - used for both collection and dissemination of very user-friendly statistical information on the developments in the economical fields of the Kazakh Republic. This information service, published in Kazakh, Russian and English, naturally concentrates on the part of statistics the National Bank itself is responsible for, but also some statistical indicators produced by the ARKS (e.g detailed information on price indicies) and by other producers of Official Statistics are published here. Presenting the numeric information together with short analytic texts and very clear visual presentations increases the user-friendliness of the web service of the National Bank. All sources of information are well documented.

On the coordination function of official statistics the earlier mentioned Article 3 of the Law on Statistics stipulates: “The authorised institution coordinates statistical activities of governmental bodies and has a leading position in the system of state statistical surveys”.

A peculiar feature in the Kazakh statistical legislation is that it does not mention the Agency of Statistics by name as being the coordinating body, even though this is in principle meant to be the case. The coordinative role of the Agency seems to be

fairly weak. There are, for instance, no regular coordination meetings, where all bodies responsible for producing Official Statistics would meet on a regular basis. Upcoming problems, coordination and methodological issues are discussed on ad hoc basis. This may provide a practical approach but it certainly does not make long term planning of the Statistical System of the Republic easy. In March 2007 a 41 member's body, called "Рабочей группы по совершенствованию государственной статистики" – Working group for implementing state statistics (Приложение 1 к приказу Председателя Агентства Республики Казахстан по статистике от 20 марта 2007 года № 80) was established. This body, consisting of medium-level officials from ministries and other bodies, being the main producers and governmental users of official statistics, comes very seldomly together as a a plenary form, but has proven to be effective in solving a number of problems, when its members have come together on a bi- or trilateral basis with the Agency of Statistics. However, this body cannot compensate the need of a high-level consultative body to the Chairman of the Agency – and the Statistical System – in bringing important fundamental issues of the development of statistics up to discussion with the main producers of official statistics in Kazakhstan or in bringing the expertise and know-how of all relevant parties to be used in the development of the ARKS and the Statistical System in Kazakhstan.

It was symptomatic and probably also a reflection of the small amount of real activities of coordination activities within the Statistical System that neither the National Bank nor the Customs Committee representatives at the first Global Assessment mission in October 2007 knew anything about the existence of the Coordinative Working Group, mentioned above – notwithstanding that both of them were carrying the title of **coordinator** of their own organizations!

Another stipulation in Article 3 of the present Law on State Statistics can further weaken the active coordinative role of the Agency: "Governmental bodies implement statistical surveys in cases they ensure production of more reliable indicators than those produced by the authorised institution" (i.e. ARKS). Decision-making on which governmental body's survey brings the most reliable

indicators can in disputable cases be tricky and this definition in the Law on State Statistics gives quite limited powers to the coordinative body.

Notwithstanding the quite vague definitions in the Law on State Statistics on coordination, a clear decreasing trend in the number of statistical surveys can be noted in recent years. This has certainly forwarded the common aim of the Statistical System to relieve the response burden and has brought more efficiency into the work of the whole Statistical System. From performing 513 different surveys in the year 2005, the number has in 2007 decreased to 333. The number of surveys performed by the ARKS diminished from 217 to 203, whereas the number of surveys performed by other bodies in the Statistical System diminished from 296 to 130. This development is mainly a result of a new policy within ARKS, aiming at combining separate survey activities of different sub-divisions into more comprehensive surveys, serving the needs of numerous different subject matter statistics. The orientation on a Data Warehouse, discussed in greater detail in part 3.6 of this Global Assessment, will provide a strong support for these rationalisation measures, aiming also to diminish the response burden of respondents. .

Assessment:
The division of labour between different producers of official statistical information has clearly developed from the times of the previous Global Assessment in 2002-2003. However, the coordinative role of the Agency of Statistics in the Statistical System of Kazakhstan is still quite weak.

In revising the Statistical legislation the coordinative role and obligations of the coordinative role of the ARKS should be strengthened. A body for discussing and implementing coordination issues between the 15 different bodies producing official statistics should be established. The Coordination department of ARKS should have sufficient resources to assist the Chairperson of ARKS and the Coordination body in performing their work in this field of activities to avoid overlapping of statistical production, in ensuring confidentiality and adherence to

the Fundamental principles in all parts of the Statistical system and in promoting its development.

The division of work on surveys should be generally revised. It is not quite clear whether part of the still numerous surveys are used for collecting administrative and not statistical information. Collection of administrative information should take place outside the statistical system. Collection of statistical surveys should on their part be restricted to the sole use of the statistical system.

2.3. Statistical Programming

The bases for the ongoing Statistical Programming activities are the Decree Nr. 903 "On the Plan of Measures to Implement the Programme of the government of the Republic of Kazakhstan for the Period 2003-2006", adopted in September 2003 and the "Programme of the State Statistics Improvement in the Republic of Kazakhstan for the period 2006-2008". Presently a Strategic Plan for the ARKS is being set up for the period 2008-2015.

The Outline document for a Strategic Plan (see Attachment 7) aims at strengthening the role of registers as important information sources of statistical production. The setting up of a well working Dwelling Register is on the agenda by the end of 2008, a Population Register by the end of 2011 and an introduction of a system of Business ID by the end of 2010. Interaction with these and other public registers are foreseen to be established at different stages in the coming five years' period. Introduction of quality standards on processes and services of statistics will be introduced (already) in 2008 and even a certification of the quality management system of the ARKS is mentioned as a target by the end of the same year.

Development of a "One Window"[2] service system for respondents and users is targeted to be in place by the year 2008, based on standard rules for service

[2] There is probably a misunderstanding and through that a confusion in applying the concept "Single Window" or „One Window Service System" in the work plans of ARKS. Collecting basic data can seldom be efficient, if only one method is used, because there almost always are **different** ways of responding in the most appropriate

providing, developed in 2007. Implementation of international standards and recommendations is a substantial part (and a long list) of the strategic outline document, as well as the goal to reduce of the response burden. The latter target is linked with the quite ambitious plan of supporting the building-up of register-based information sources in Kazakhstan and, based on that, introducing register-based processes for procucing official statistics. These are also mentioned in the Statistical Master Plan for 2008-2015, due to be finalized in January 2008.

A change in the staff composition of the ARKS is also foreseen in the planning documents mentioned. An increase of analytical and research work is foreseen as well as an optimization of the structure of the Agency's Headquarters and its Regional bodies. The latter aim is very understandable in light of the staff position number of the Headquarters (186), in comparison with the staff number of the Regional offices (4'040). As the presently filled-in vacancy number in the Headquarters is only 134, this discrepancy is even deeper.

The Headquarters of the ARKS started to operate in the new capital Astana in May 2007. The move from Almaty is taking place step by step – in mid-Autumn 2007 only 30 % of the staff from the previous Headquarters had moved to work and live in Astana. Recruitment from Regional offices to the new Headquarters is also taking place to some extent. A third source of new staff into the Headquarters will be newly graduated students from universities; among them the recently established branch of the Moscow State University in Astana. But it will take time before this third source can be of greater importance in recruiting staff, especially as there in the 2-3 recent years has been no advanced training program on statistics as part of the curriculum in any of the universities in the Kazakh Republic.

The main bottleneck for a rapid increase of the staff in Headquarters of ARKS is the insufficiency of highly qualified professional staff with specialization in the different fields of statistics in Kazakhstan. The level of salaries is also an ongoing

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way, seen from the side of the respondent. The whole term refers more to the dissemination side, emphasizing that the user/retriever/customer should find all information of the Statistical Agency in one, for him/her

problem in suppressing easy recruitement of qualified professional staff for the ARKS – in Kazakhstan as in the most part of countries with economy in transition. A third obstacle is reluctance to support changes the structural composition between the number of staff in Headquarters and the Regional offices of ARKS. A shift of the existing strong imbalance of the staff structure, referred to above (less than 200 posts in Headquarters, more than 4'000 in the Regional offices) has until now been opposed mainly by the Ministry of Agriculture, which has considered a withholding to the tradition of collecting comprehensive information from all individual agricultural units to be of great importance, notwithstanding the substantial structural changes in agricultural production in Kazakhstan.

A reform of the staff structure of ARKS is, however, inevitable. The draft text of the Statistical Master Plan of January 2008 is rightly exemplifying the existing discrepancy by referring to the fact that ARKS employs more staff than the Australian Bureau of Statistics although the latter produces substantially more and better quality statistics for a larger population.

To address the numerous needs for training of the staff in ARKS the top management of the Agency plans to set up a Centre for Statistical Education and Research in Astana. The selection of staff, responsible for this activity, outlining the content of training, the question of localities and implementation partners are still to be defined later in 2008.

The Headquarters of the National Bank is not planned to be moved to Astana, as Almaty is considered to be the financial and business centre of the Republic.

Assessment:

The proposed plans, presented in the two draft documents on strategic planning of the work of ARKS, outlined in the first part of 2007 are quite ambitious. The reforms outlined in these documents would provide important and serious steps in the direction of a modern and effectively working Statistical Agency and can for

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convenient way, without having to run around the Agency's different organizational parts for finding, what is needed.

these reasons be strongly supported. In the course of the very end of 2007 and in January 2008 the planning outlines have been converted into a long term Statistical Master Plan of the ARKS, including more concretisation and specifications.

Substantial changes in the production system and ICT are foreseen to take place in the next five years. The time horizon for the Statistical Master Plan of the ARKS is even longer than in the Outline document, looking now forward to the year 2015 (instead of 2012).

As the financial resources provided by the central government for development do not, in the exceptional case of Kazakhstan, seem to be a bottleneck, a strong development and restructuring phase can well be foreseen also in real development terms. The challenge for the management of the ARKS will be to have comprehensive reforms executed and the ongoing production rolling at the same time. A substantially big human resource reserve is, in relation to the number of staff members in the Headquarters, the quite enormous number of staff members in the Regional offices. With a determined orientation on new and more efficient data collection and processing methods, the planned development of training and different forms of support for human resource's development, assisted by developing a broad and user-oriented dissemination strategy, there are good prospects for the ambitious reforms to be put into practice.

2.4. Dissemination policy

It is one of the declared goals of the ARKS to improve dissemination and accessibility of its statistical information to the mass media and the general public and thus guarantee equal access to statistical information for all users.

The responsibility for dissemination matters was in the end of 2007 lodged with two different units. One is at the Headquarters in Astana and a second – for chargeable information – in the form of a unit at the Calculation Centre.

A recent directive of the Prime Minister requires all governmental agencies to have a Press and Public Relations Service by the beginning of 2008. This Service will be established in the ARKS, starting from January 2008 in the form of a tiny, 1-person unit. The main responsibility for non-chargeable dissemination has so far been lodged with the small Publication and Social Relations Unit, consisting of four staff members. This unit was during the time of the Global Assessment part of the Department of Coordination. This unit keeps track of the distribution lists of different printed publications. In the end of the year it prepares a comprehensive catalogue of all planned publications of ARKS, sends out the catalogue to listed users (mainly in ministries and other governmental institutions), collects their requests on statistical publications for the forthcoming year and delivers the publications to the users. A Catalogue of Publications and Electronic Services of the ARKS is also available on its web site. For the year 2007 it contained more than 300 titles on different subjects.

This four persons' unit also prepares and publishes the „Statistical Yearbook of Kazakhstan", the „Monthly Statistical Bulletin", two publications presenting regional statistical information on the country, a quarterly Statistical Bulletin, the broshure "Kazakhstan in Figures" and other summary publications. It has also been in charge of public relations services of the ARKS. For this amount of work the number of its staff members is clearly too modest.

The division of labour between this unit and the in January established Press and Public Relations Unit has not yet been clearly defined. Both units distribute statistical information materials free of charge.

Chargeable dissemination services are provided only on an ad hoc basis on specific requests from users. The provider of these services is in today's structure the Calculation Centre. Compilations of basic statistical materials, additional to the annual Statistical Plan, are chargeable and are handled as a side function of the basic work of the Calculation Centre. During the two missions on the Global Assessment there were no possibilities to find out, in what way and how efficiently the service is provided and whether all the information exchange, related to this

work, is handled with due consideration of confidentiality rules, as those functions presently are located in Almaty, whereas the Assessment process was taking place only in the Capital.

There exists no active marketing or information activity about the availability of the chargeable services, provided on the basis of ARKS's production and provided by the Calculation Centre – potential users have in most cases to find themselves the way to the concerned information provider.

The ARKS has a large publication and dissemination program, consisting of both printed and electronic media. The most utilised way of disseminating data is still through printed publications. The electronic services consist mainly of tabulated materials in the not-very-user-friendly formats of PDF and MS Word on the internet. No user-friendly database is still available, which naturally makes search processes quite time consuming for both users and staff in the dissemination unit.

The most requested publication is the „Statistical Yearbook of Kazakhstan". Currently the ARKS publishes 51 summary publications. Most of these are published on an annual basis. The monthly summary publication, called "Socio-Economic Handbook of the Republic of Kazakhstan", is published both in printed form and as an electronic version on the web site.

The dissemination activities of statistical publications are in ARKS today understood solely as distribution. This distribution is – to the specific and limited parts of the potential clientele – taken care of fairly effectively, with detailed mailing lists to (often) named persons. This could form a good basis for a much more modern marketing and dissemination policy, but naturally the "political" will to do so must first be in existance.

The electronic publications on the web site of ARKS are presently not very user friendly. Searching is really painful for any non-specialist, as the headlines exist only in a coded form and tables are presented in a MS Word format, usually without explanatory notes or metadata.

A service database, making use of a multidimensional PC-Axis or corresponding software would greatly increase user-friendliness of the provided information. Even basic MS Excel tables would serve the cause better than the present information structure in the text processing software MS Word.

The ARKS was the first subscriber to the IMF Special Data Dissemination Standard (SDDS) among the Central Asian countries and the second among the members of the Commonwealth of Independent States (after Ukraine). It disseminates an advance release calendar for SDDS data categories on its web site. Furthermore, the ARKS and other subscribing institutions in Kazakhstan have met SDDS specifications for the coverage, periodicity and timeliness of the data, and for the dissemination of an advance release calendars already since March 2003.

With the exception of some summary and research-oriented publications, all publications of ARKS have pre-informed fixed release dates, presented on the web site of the Agency.

The ARKS disseminates approximately 50 press releases and 300 statistical bulletins and express information releases per year.

The ARKS has a Statistical Library in its Almaty premises, which is open and easily accessible for the public.

Other ways of dissemination are press conferences, which are organized by the ARKS Headquarters approximately two times a month to present the results of newly conducted surveys and releases. Regional offices also organize press conferences from time to time. Press releases are published both by Headquarters and – with a focus on regional and local developments – by Regional offices.

The main delivery forms of Press releases and Express information of the ARKS is the web site and e-mail attachments sent to the media and some other regular receivers. The basic mailing list of media contains about 60 receivers of these e-

mails. On request anybody can be added to that mailing list. The small amount of regular subscribers of this service reflects the fact that not too much publicity work or marketing of this service has been done.

The disclosure of information takes place at the same fixed time to all categories of users and through all distribution channels used – no user category has any preliminary access to the publication of statistical releases.

With its information service the Dissemination Unit of the ARKS gives approximately 8'000 answers per year in written form to domestic and foreign users. Telephone contacts and an automatic answering system for key indicators are the usual forms through which the ARKS is contacted when information is needed.

In the close future, the ARKS plans to improve its data dissemination via Internet in two ways: (1) the www-service will be developed and more information will be made available on the web site of ARKS; (2) the ARKS plans to provide an interface with a service database, including the most important aggregated statistical information material in a (probably) PC-Axis based on-line dissemination database.

Users will be able to have access to the basic variables of their interest in a practical and user-friendly way directly through the web site. Also the search forms for the statistical information will be developed when the new interface is implemented. The ARKS's new web site interface is planned to be released in the course of the year 2008.

A serious obstacle for the development of dissemination activities is – besides the scattered structure of bodies responsible for building relations to users – the fact that the dissemination unit is seriously understaffed. With solely four staff members the dissemination unit is responsible for

- Providing basic statistical information services: compilation of the annual publication programme and a Catalogue of publications on the web site and in print, informing about publication dates;
- Providing statistical services on ad-hoc questions directed to the ARKS: responding to approximately 8'000 questions annually, forwarding more complex data requirements to the respective sectoral statisticians or the service providers at the Calculation Centre;
- Producing the main content and design of the web site of the ARKS in cooperation with IT specialists of the Agency;
- Participating in the processes of building up "electronic government structures" in Kazakhstan on behalf of the ARKS;
- Managing the publication process of printed publications of the ARKS: interaction with the printing house (KazakInform), providing cover design services, keeping stock of printed publications and providing deliveries of them on request;
- Producing the content of the Agency's summary publications.

Until the end of 2007 the Dissemination Unit was also responsible for

- Production of press releases and express information releases in cooperation with the sectoral producesrs of statistical information;
- Building and serving media relations;
- Organization of press conferences.

These functions, together with the new function of Public Relations services of the ARKS, are, starting from January 2008, provided by a new 1-person unit under the name Media and PR services.

Assessment:

The ARKS has a declared orientation on active dissemination of official statistical information. In comparison with most other CIS member states it has already achievements it can be proud of. However, both in developing user-friendliness

and a sufficient activity level, much remains to be developed. Scarce and scattered resources in the sphere of dissemination may not be the best solution. Good coordination aiming at development of the service ability of the ARKS between the Dissemination Unit, the new Press and PR Unit and the Calculation Centre, responsible for providing chargeable services, isstrongly recommended.

Although there seems to be a good understanding of the importance of dissemination issues in the top management of ARKS, the awareness of the importance of dissemination is today not on a high level among most heads of units and staff in the different subject-matter units in Headquarters, involved in statistical production.

To involve middle management and staff more to understand the importance of relations to users of statistics and to participate in building up these relations, a declared orientation on active dissemination of the ARKS has to be manifested by the Chairperson and the top management of ARKS. A Marketing and Dissemination Strategy should be developed and a number of courses and seminars should be arranged for department directors, unit heads and selected staff members. Already now – but at the latest in the proposed Dissemination Strategy - a clear division of labour between the Dissemination Unit, the Press and PR Unit as well as the Unit of Statistical Information and Economic Research at the Calculation Centre should be defined.

The three units, working on dissemination issues and public relation issues should have a joint leadership providing good cooperation in building up the service ability of the Agency and promoting the importance of statistical information in evidence-based decision making among the multitude of different stakeholders. In developing this well concerted dissemination mechanism guarantees for adhering to confidentiality principles in all spheres of activities should also be addressed.

The press release and express information system seems to work properly. Structuring the release materials on the web site and adding links to related additional information sites and sources into the releases would increase their

usability and popularity. The development of a user-friendly service database for - at least the most used - aggregated statistical information through the web site of ARKS could help to increase the range and number of users and also improve the user-friendliness of the ARKS information.

If the Statistical Library of ARKS will be moved to Astana, a way to continue to have it open for the public should be found. This may be not so easy, as the Headquarters in Astana are located in a Government building with strongly restricted access. A viable solution would be to provide Statistical Library services both in Astana and Almaty, possibly also in some of the other Regional offices, due to the big geographic distances of the country. The Statistical library/libraries should also provide internet access to at least all producers of official statistics in Kazakhstan as well as to statistical information sources in other countries and to web sites and statistical databases of international organizations.

The web site of the National Bank of Kazakhstan can presently serve as a good benchmark for the ARKS.

2.5. Relations with the central government

The Statistical System of Kazakhstan is today mainly serving the needs of the central government. It has a good reputation among officials in ministries and central administrative bodies for providing useful and important information for facilitating policy planning and decision making. ARKS, the National Bank and the National Customs Committee provide on a regular basis both basic and specific statistical information materials to all bodies of the central government, demanding for such information. The annual statistical program is built up in an iterative process with other state administrations, which have a strong position in influencing the content of the statistical production process. The need for a clear distinction between regular, long term statistical production processes and services on specific needs to state bodies is today not seen as a problem.

Different bodies of the central government can, according to the dissemination process, described in sub-chapter 2.4, easily obtain the regularily published statistical information materials they deem important for their work. In a way this network functions very well, especially when compared with services provided to other user categories (see sub-chapters 2.7 – 2.9 below). As can be seen by the example in Attachment 9, state bodies are well represented on the dissemination list of basic statistical publications.

Assessment:

The good relations with the Apparatus of the President and the different ministries, among these the Ministry of Economy and Planning, today led by the previous Chairperson of ARKS, has assisted in making governmental financial support for the development of statistics in Kazakhstan exceptionally good, especially when compared with the situation in the majority of the countries in the CIS sub-region and other countries in economic transition. These good relations are reflected in the – apparently sufficient – financial support the ARKS is obtaining for performing the Census in 2009 and also for other important development initiatives (see sub-chapters 3.4 and 4.3.1).

Higher state authorities also appear to have a good understanding of the necessity to protect a relative independence of the Central Statistical bodies, especially the National Bank of Kazakhstan and the ARKS. Problematic issues were discussed only in relation to the prosecutor's agencies from time to time occouring requests to provide statistically confidential information materials for non-statistical purposes, such as investigations on alleged crimes and as evidence material in court processes. The Central Prosecutor's Offices activation in producing official statistics on the juridical system of Kazakhstan can to some extent also be seen as a small threat to the generally good situation in the relations of the ARKS to other bodies in the central government. This activization of the Central Prosecutor's Office in producing statistics on the juridical system in Kazakhstan was rightfully seen as a possiblethreat to the independence of the juridical system by representants from the Committee of the Juridical Administration of the Supreme

Court of Kazakhstan during the first Mission on the Global Assessment in October 2007.

2.6 Relations with local governments

During neither mission of the now performed Global Assessment there was no chance to visit a regional or a local office. For this reason the Assessment here is based on discussions and interpretation out of deliberations with directors, managers and staff from the Headquarters.

Due to its very strongly regional structure ARKS has a voluminous network with regional and local governments and administrative authorities at all oblast and rayon levels. Not only the regional and local offices of ARKS are serving decision makers and administrative units at the regional and local level but this interaction is completed with the services provided to them by the regional bodies of the Calculation Centre.

The way, how official statistics is used in the decision making and administration locally, is probably quite different in different regions. There is no systematic tradition of researching user satisfaction in different regions and it is also unclear how efficiently regional needs for statistical products are collected or how the service level to regional and local users of official statistics is monitored.

Assessment:
The regional statistical units, having the main responsibility for collecting the basic data, have not had the tradition of taking much care of the dissemination of the statistical services or publications. Traditionally they are also seen, not only as the information collectors of the Central Statistical Agency, but as parts of the regional and local administration. What effects this twin situation may have on questions related to statistical confidentiality was not explicitely discussed during the Global Assessment, but it is clear that more exact specifications on the role and obligations of the more than 4'000 staff members, working in the Regional offices is a challenge to be encountered in the future.

Already now the ARKS produces altogether an abundant amount of regional information materials. It is evident that quite many efficiency gains could be obtained by defining - through a needs analysis of local stakeholders - what main services ARKS should produce and by organizing that production in a more centralized way or at least under a more distinct centralized supervision. This development could also come into existence through better cooperation and joint planning of the more user oriented regional offices.

2.7. Liaison with research institutions and universities

The ARKS has today very limited and mainly occasional relations to universities and research institutions. An indicator of this is that in the last few years statistics has – according to one of the Deputy Directors of ARKS – not been a subject in any university on which master or higher degrees would have been defended. In the turbulent years of economic transition after the independence in 1991 statistics was just "forgotten" from being part of the curriculum in any university.

Naturally, researchers and university scholars cannot for a longer period do their work without access to fresh and continuously supplied statistical information on economic and social development. Also in the recent 15 years researchers and university scholars have looked for and found statistical information. For this reason it goes without saying that a renewal of the relations with the new generations in the research community, universities and other higher educational institutions are very likely to be well established, as initiatives in this direction will be made by ARKS in future years.

Assessment:
The need for developing the liaison with research institutions and universities is obvious, motivated already by the simple need for regular and guest teachers and trainers in fulfilling the need to train existing and future ARKS staff (see sub-chapter 3.5). During the Global Assessment missions no discussions on making use

of microdata by research institutions or individual researcers came up but probably issues related to that question will turn up when elementary relations with the scientific community are re-established. In the previously existed Statistical Council (see sub/chapter 1.6) three out of twelve members represented the scientific community.

It is recommended to find forms for a stepwise recovery of the relations with the scientific community. To soon take steps in this direction is important not only for the scientific community. It is important also because many of the demands of the scientific community can for their part also assist the ARKS (and other producers of official statistics) and other producers of official statistics to improve their performance and service ability. Also in the development and implementation of sound statistical methodology the professionalism of and the sound critical comments by scholars, representing the research community, can be of great assistance to the producers of official statistics. A development of these relations are important also for making better use of collected statistical data for the society as a whole – under strict confidentiality rules still to be developed for this special use of the basic statistical data (see Attachment 1, text at the end of Principle 6).

2.8. Liaison with the business community

For the moment the ARKS does not have any active or supportive direct relations to the business community. Again, naturally, there are thousands and again thousands of relations and interactive moments between the ARKS and other statistical producers with individual enterprises of all sorts related to the information collection. Through these statistics is, however, perceived mainly as a reporting burden – not as a source of useful information in making decisions on investments or planning new market opportunities or planning marketing targets.

Notwithstanding the weakness of direct relations between producers and users of official statistics in the business community, businesses nevertheless make indirect use of statistical information all the time. Both consultants and research divisions are used for preparing important and voluminous business decisions and almost

always these professionals make use of statistical information in preparing estimations and recommendations for business decisions. Foreign enterprises, having a growing involvement in the economic life of Kazakhstan by tradition look for statistical facts on the targeted operating environment, be the sources from national providers of official statistics or "guesstimates" of international or intelligence organizations. They may use experts for evaluating the reliability and validity of information produced by national official statistics, but no bigger foreign investment, market transaction or marketing effort is made without making use of statistical information. The interrelation between commercial banks and other financial institutions and the National Bank of Kazakhstan is predominantly influenced by information on statistics and news, reflecting the economic and social development.

ARKS's present underdevelopment vis `a vis direct relations to the business community if forwarding the use of official statistical information is reflected by the fact that one of the main "formal" forms of this relationship is the previously mentioned "Business Council", referred to in sub-chapter 1.7. The "Business Council", established in 2006, has until now dealt mainly with questions related to the response burden of Kazakh enterprises, as they encounter often numerous questionnaires from official producers of statistics.

Assessment:

The need to strive for a reduction of the response burden on statistical questionnaires is an understandable and necessary field of activity, also reflected in the Fundamental Principles of Official Statistics. This aspect has been addressed seriously not only by ARKS participation and activity within the "Business Council" but also in the efforts to develop the structures of statistical information collection and production from traditional "stove-pipe" structures into more generic information collection for a Data Warehouse, planned to be established by the end of 2008. This strategic reorganization of the information collection patterns ant the multiple usage of collected data reflects the seriousness of the ARKS's efforts in finding positive solutions for diminishing the response

burden in a society which needs a growing amount of information for different stakeholder's decision making processes.

However, the question of the response burden reflects only one side of the potential relationship between producers of statistical information and the business community. Based on the predominant tradition of serving mainly governmental institutions at the central and regional level, and to some extent to serve the media, the ARKS does not today have the know-how or even a clear will to serve better the business community. The ARKS is today not seriously aware of the needs it has to develop for statistical products, serving mainly the business community as these usually are to some extent different from "general" dissemination materials both to the form and the presentation mode from services rendered to governmental and other public institutions. The ARKS has so far not established any network for any active interaction with it. The "Business Council" could possibly be developed into a body, which could both provide the ARKS with information on the needs of bigger enterprises and other businesses in the field of statistics. This body could possibly also assist in developing user relations to the business community, even though direct marketing, organization of presentations and participating in business fairs with the aim of new relation building to banks, insurance companies and other financial institutions, wholesale, import, consultancy and foreign companies and other viable enterprises, needing statistical information in their activities and decision making, would probably be the main way to work for establishing cooperational links with conrete businesses in promoting the use of statistical products from official statistical institutions.

2.9 Relations with other user categories

Besides the important stakeholder and user categories listed above in the sub-chapters 2.5 – 2.8 there are other users and stakeholders whose existence should be taken into account when planning the contacting and Public Relations work of ARKS and the other producers of official statistics in Kazakhstan.

Based on consultations and training organized in the recent ten years by international consultants programmes and organizations, such as IMF, TACIS, UNECE and UNFPA, the probably best served user category – besides the central and regional public institutions - is the media.

As mentioned in sub-chapter 2.4, ARKS has a regular production of press releases, a tradition of organizing press conferences and a generally open and positive attitude to the media. Once a year, usually around the Kazakh Day of Statistics – November 8th – ARKS organizes an Open Doors reception, inviting media and other stakeholders to acquaint themselves with new publications, electronic services, the organization and its staff.

With other user categories the interaction is more sporadic.

Tertiary educational institutions receive, for a big part, one copy of the Statistical Yearbook on an annual basis, but that is about all systematic contacting to the wide range of educational institutions.

Trade unions and employer's organizations, even though they use abundant amounts of statistical information in their professional advocacy, negotiation and research activities, they are regularily contacted by ARKS only on the National confederation level. Trade unions of different branches are not objects of the information the ARKS sends out, nor are their counterparts on the employers' side.

Non-governmental organizations, the amount of which in recent years has grown substantially in Kazakhstan, have contacts with ARKS or other producers of official statistics only when they themselves take the initiative to do that.

Pensioners' organizations, youth organizations, organizations advocating protection of the environment, organizations fighting against poverty or for the improvement of health conditions, different lobbyist organizations – just name it – are all in need of some statistical material and evidence in advocating and promoting their cause. The possibilities for enhancing the use of statistical information and through that

also the role of the producers of that information are today far from exhausted in Kazakhstan.

Assessment:

There is still very much to be done in order to create and promote the contacts, cooperation and networking of ARKS and other producers of official statistics in the Kazakh society. This Global Assessment is not the place to provide detailed instructions on how to go forward in this important field of activity. The need for developing a Marketing and Dissemination Strategy for ARKS for building relations to different user categories and important stakeholders is evident. A prerequisite to take steps in this direction is to improve the leadership structures of the relationship building in the ARKS and to clarify the division of labour of the two units in ARKS and the Calculation Centre, all having responsibilities for developing user relations, as pointed out in sub-chapter 2.4 of this Global Assessment.

2.10 Access to administrative sources

The cooperation with holders of administrative sources and register-keeping units of the public sector is slowly being built up. In the latter part of the 1990's cooperation with the Ministry of Justice which keeps a register on juridical persons was established as well as cooperation with the Tax authorities, from which data on individual entrepreneurs were received. In the beginning the transmissions took place solely in the paper form. The information has been used mainly for building up and updating the Business Register of the ARKS.

Besides the administrative register on enterprises of the Ministry of Justice and the tax information from the Tax authorities, the ARKS receives regular updates on defined topics from them or has partial access to the following administrative registers.

- The Transport Register of the Ministry of Transport

- Registers of public authorities, that keep stock of 35 different types of licences
- Registers of state finances of the Ministry of Finance
- Registers of foreign assets of the National Bank
- Registrers of Pension funds of employees
- Database of customs declarations of the Committee of Customs Control
- Agricultural units register
- Munincipal construction registers, where such registers are exist.

According to a study, performed by the ARKS, the present access to administrative registers covers only a small part of the potential. The study concluded, that information, which could be extracted from registers of eight major public administrative register keepers, are presently collected for statistical purposes through 188 different data collection activities or surveys.

Kazakhstan has a State Register of Physical Persons. The Register Keeper is the Ministry of Justice. This Register was established in the year 2001. The ARKS does presently not have access to this register.

The State Register on Physical Persons is not yet in an ideal order, notwithstanding development activities in the last few years. Even though all physical persons within that register since 2001 have a unique individual registration code, based on Kazakh legislation and used in the citizens' passports, the system of updating the register is still not in a satisfactory condition. Births and deaths are mainly registered accurately, but migration movements within the country, as well as numerous cases of both emigration and immigration remain unregistered. Also individuals and whole families, working in the non-observed economy, often remain unregistered in the Kazakh Register on physical persons. Out of an estimated population of 15 million the Register covers presently about 13 million records. Plans for a better coverage and updating system, safeguarding the quality of this register, have been postponed year after year. The present plan provides this work to be performed in the course of 2008. Based on this the Agency of Statistics has an orientation to make use of the information of this register when defining the

potential content of the areas for enumerators in the 2009 Population Census – but the availability and accuracy of this information was not yet guaranteed at the time this Global Assessment was performed.

Starting from 2003, based on an agreement between the ARKS and the Tax administration information on individual entrepreneurs has been received in the electronic form. ARKS for its part delivered to the tax authorities a classification system of the establishments.

In 2006 a principal agreement was reached with the Tax authorities on the necessity to provide the ARKS with information from the tax declarations of enterprises. A proposal of the necessary changes in the legislation on this, specifying also the needed information content, has been prepared by the Tax authorities. The final legislative decision on this matter is still pending in the end of 2007. A new achievement, however, is, that the Tax Authorities presently are supporting the idea of cooperation with ARKS, whereas their attitude previously was not too enthusiastic or in favour of cooperation. Mainly formal legislative matters have, nevertheless, still to be sorted out in 2008 before the recently achieved good cooperation spirit will turn into reality.

Assessment:
The statistical legislation does not presently guarantee accessibility for the producers of official statistics – or even explicitly for the Agency of Statistics - to have access to public registers. The structures and operating practices of most of the public registers do usually not directly reflect the needs the production of statistics would demand. Not to speak of obligations to negotiate concerning their structures with the national producers of official statistics or to have also private registers included as a potential source for the production of official statistics.

Often classifications used in different administrative registers are very different from the international standards, terminology or classifications the statistical community is making use of. Seldomly conversion software is in existance to make the conversion possible and practicable. Even though improvements in cooperation

attitudes have recently taken place, there is still unnecessarily much resistance for cooperation in this field. The interaction register keepers could get from statistical agencies in developing their structures and classifications used could in many cases be invaluable and help both sides in a partnership to better performances.

3.Description of the National Statistical Office

3.1 Mission and Internal Organisation

The mission of the Agency of Statistics is to provide national and international users with a high quality, cost-efficient and objective statistical service. This includes responsibility for the development of concepts, definitions and classifications to be used by all other Kazakh public agencies that play a role in official statistics.

During the four months this Global Assessment was produced, the ARKS was in the process of reorganizing and restructuring the departments and units within its headquarters, both in terms of creating units and modifying existing functions and responsibilities. Two new departments are in the process of being created: the Department of Strategic Planning and the Department of Quality Management and Internal Auditing.

The Department of Strategic Planning is responsible for formulating as well as monitoring the strategic plan and the corresponding implementation plans of the ARKS. The functions of the regional offices and centres of statistical information are also under review.

According to the organization structure of the Headquarters the main Departments in autumn 2007 were the following:

- The Department of Coordination
- The Department of Research and Strategic Planning
- The Department of Macroeconomic Statistical Information
- The Department of Microeconomic Statistical Information
- The Department of Social and Demographic Statistical Information
- The Department of Internal Administration

There are 32 units working within the mentioned six departments plus two units directly subordinated to the top management. The units are of the approximate size of 4-6 staff members.

Some more closely related units are combined into sub-departments. The departments have 20-40 staff members, the biggest departments being the Macroeconomic and the Microeconomic Departments.

For more details on the organizational structure of the ARKS Headquarters as of end of November 2007, see Attachment 5 of this Global Assessment Report[3].

The Chairperson leads the work of the Agency, assisted and adviced by three Deputy Chairpersons and a Chief Executive Secretary. One Deputy Chairperson is responsible for the strategic development of the Agency – naturally lead and in cooperation with the real decision maker, the Chairperson. Another Deputy Chairperson is in charge of the finances and expenditures of the Agency. The Executive Secretary is responsible for supervising the operational activities of the Agency.

The organizational situation is quite turbulent: in 2006 the ARKS had nine departments. The number of units was 32; part of the units had different functions than today. In the structure, actual in autumn 2007, the Dissemination Unit has vanished as a self-sustaining unit. The staff has been incorporated into a unit called PR and Publication Unit and moved from the previously existed Department of Analyses and Publication of Statistical Information to the Department of Coordination. This structure will change once more, when the creation of the Press and PR unit starts its functioning as of 2.1.2008.

The Agency is also in charge of and supervises the work of the Calculation Centre, which juridically is an independent public company, rendering calculation and sales

[3] A new organizational structure of the ARKS is planned to be published and informed upon by the beginning of March 2008.

services to the ARKS and a number of other state bodies, e.g. the National Customs Committee.

An organisation chart, reflecting the general organizational structure of the ARKS as a whole together with the Calculation Centre as of the beginning of the year 2006 can be found in Attachment 4.

Assessment:
In the ongoing restructuring, planning and quality monitoring functions are lodged with two distinct units; these are, however, integral functions of other departments as well. The challenge is to ensure that the various Departments/Units interact seamlessly and in a unified fashion in carrying out these functions; an institutional mechanism within the ARKS to facilitate coordination and participation across the various hierarchies of staff and units would be needed.

More generally, based on the first mission observations, it is not yet crystal clear what the framework for restructuring is, given that a strategic plan is yet to be completed. It is important to document the rationale for the changes made and the functions of the various units in the reorganization. A document of great importance in this respect will be the Statistical Master Plan 2008-2015, due to be finalized in the end of January 2008. It has been produced in cooperation with specialists from the World Bank and partially under influence of the preparatory work of this Global Assessment.

The ARKS has made an important decision to pursue an orientation of building up a corporate Data Warehouse for its collected microdata, facilitating modern and efficient data processing and analysis. In close relation to this the statistical use of classifications will be addressed. A coherent information system, based on extensive metadata specifications, is planned to be taken into use in the years 2009-2010.

Part of this orientation is also the in recent planning documents strongly manifested orientation to activate the improvement of registers both within the Agency and those of its cooperation partners. This can bring substantial efficiency gains in renewing the production processes of statistical information.

It should, however, also be noted that it will take years before all relevant registers in Kazakhstan are of a quality that statistical production in numerous fields can be mainly register-based. Quality and confidentiality aspects must at all phases of development be a strongly highlighted criterion, when making decisions on renewing production structures. A substantial – but probably diminishing - part of statistical information will also in the future still be produced based on surveys.

With the ongoing profound restructuring activities of the ARKS, a review of the mission statement is deemed appropriate.

As the support of modern information technology is of great importance for all future development of ARKS, it is imperative that ARKS has full control over the IT work, needed for both production and dissemination of statistical information. It is not clear whether the present administrative structure between ARKS and its Calculation Centre is working well. A satisfactory working relation in the relations between the two juridically independent organizations is not sufficient, as IT is of core importance for success of any important strategic challenge ARKS faces – the relation is recommended to be better integrated. The statistical Agency should be in full control of its IT development and a combined reform of (1) merging the Calculation Centre into the organization of ARKS together with (2) guaranteeing needed flexibility in the recruitment and definition of IT staff salaries should be considered.

Likewise, clear definitions and joint leadership of the functions and responsibilities of the units engaged in building relations to users of statistical information and dissemination activities of the Agency and the Unit of Statistical Information and economic analysis in the Calculation Centre needs to be carried out. This would also make the effort to develop a "One Window" approach in the dissemination of

the services and products of the ARKS more realistic to achieve, be they electronic or produced in print, non-chargeable or chargeable, statistical tabulations or other kind of services.

3.2 Planning, Programming and Priority Setting

A multi-year programme and annual plans serve as the basis for the programme of work of the ARKS. A 3-year programme is currently in place. The current multi-annual programme covers the period 2006-2008. A 7-year programme covering the period 1999-2005 was in place prior to this. These programmes have aimed at producing statistics in accordance with international standards and recommendations. In addition to these more long-term programmes annual results-based plans set the priorities and directions for improvement of state statistics.

The 3-year programme for improvement of statistics specifically set the following tasks to be achieved by the end of 2008:

- Transition to the modern level of statistical system coordination on the basis of the stage by stage introduction of the system of quality management for all the aspects of statistical activities and the creation of an adequate organizational basis;
- Development and introduction of the methodology of statistics with the purpose of adaption of international recommendations and standards at the national level;
- Introduction of the system approach to the organization and analysis of statistical information to improve the information support of the development and implementation of the state and branch programmes;
- Creation of a single statistical information system “State Statistics” meeting the requirements of international standards regarding the collection, processing, storage and dissemination of data;
- Transition from the receipt of technical assistance to active international cooperation in accordance with the UN Fundamental Principles of Official Statistics.

The ARKS provided the first mission of the Global Assessment with a document, outlining strategic development issues. This material – although draft to its nature and now compensated with the Statistical Master Plan of January 2008 – can be found as Attachment 7 of this Global Assessment.

A second draft plan, covering cooperation issues between state bodies, having responsibilities for producing official statistics, was developed in the first part of 2007 to address issues in four coordination areas in the period 2007-2008: data collection, contents of statistical reports, sharing of administrative data and user requirements. This draft cooperation outline for state bodies on statistical issues can be found as Attachment 8. Negotiations between ARKS and related state bodies have already taken place on a mainly bilateral basis. Parts of the issues listed have been solved by the end of 2007.

During the second mission it became clear that the top management of ARKS is preparing to present a strategic development plan on the main development directions of ARKS, leaning partially on the Global Assessment, performed by UNECE and UNESCAP as well as on a Statistical Master Plan for the years 2008-2015, which ARKS in the course of Autumn 2007 developed in cooperation with the World Bank. The outlines in Attachments 7 and 8 are to be seen as a collection of headlines for a forthcoming Strategic Development Plan of the ARKS.

The developed version of the Statistical Master Plan for 2008-2015, being finalized in the course of February 2008, is now considered by the top management of the ARKS to have the role of a Strategic Plan. A medium term Strategic Plan, focusing mainly on the implementation tasks of the long term plan mentioned will also be developed for the years 2009-2012. Both of these plans will make effective use of the recommendations and the content of this Global Assessment Report.

Assessment:
The processes of formulating a strategic plan and a quality assessment and monitoring and evaluation system are new to the ARKS; these need thus to be

carefully monitored and reviewed to ensure that the results meet the stated objectives.

The content, importance, realism, funding perspectives and development of human resources activities - the balance of staff numbers in regional offices and headquarters, training in different fields, the mastering of the English language by a much larger part of the staff - must be discussed in order to concretisized and closely followed up in the forthcoming Strategic Development Plan of the ARKS.

A close link between the human resources development plan and the strategic plan, as well as the human resources requirements and the reorganization should be ensured. For example, the plan for enhancing knowledge management and for improving the utilization of statistics by meeting users' needs will require new skills within the ARKS.

Not very many of the goals set in the three years Programme for 2006-2008 can yet be seen transformed into visible results. During the first mission it became clear that

- *The practical coordination activities within the Statistical System is still on a very embryonic stage;*
- *The creation of analytical capacity within ARKS is seriously disturbed by the move from Almaty to Astana, where many activities are commencing from scratch and the recently emerging cooperation with the filial of the Moscow University, located in Astana, will take years before serious results can materialize;*
- *The work on creation of a system approach - (instead of stove pipe separated production of different subject-matter statistics - has commenced only in the middle of the present planning period, in May 2007;*
- *The creation of a "One Window" statistical information system of both ARKS and especially of all agencies, involved in producing official statistics in Kazakahstan is still at a wish and dream stage with even*

the basic dissemination system in ARKS being split into three separate units having totally separate supervisory functions.

The best improvement has taken place in the work on implementing international standards in a great number of statistical production activities. Also repositioning the Kazakh Agency of Statistics from being solely a receiver of international technical assistance has started – among other things the ARKS hosted in 2007 a Europe-wide set of Meetings and Training Workshops on Census issues, international seminars on Gender statistics and statistics on violence against women.

It could also be noted that the commitment of the top management of ARKS is strong in aiming at the realization of the goals set. There may be a delay in the ambitious implementation schedule, but presupposing continued support from the top layers of the Government and the President of the Republic, the Agency has a determined orientation on a systematic and comprehensive reform work.

The main preconditions for success are enumerated in the Executive Summary of this Global Assessment Report.

3.3 Monitoring quality

As a preparatory stage to the forthcoming Statistical Master Plan (SMP), produced in cooperation with the World Bank, a monitoring process of the present production methods in relation to internationally agreed standards and recommendations has taken place in early autumn 2007.

There is a clear need for a systematic monitoring of quality, as the trust of users in the statistical materials, provided by the Agency for the moment is quite low and as many potential users are not making use of official statistical information materials at all. Also the awareness of the importance of quality issues for a statistical agency among a substantial amount of staff members leaves ample room for improvement.

In its present publication activity the ARKS does not inform about quality issues concerning the publsihed data. As a rule there has not so far been reliability marginal information in the published statistical information material.

Recently these questions have been taken up by the top management of ARKS and for 2008 even organizational reforms are being prepared to highlight the importance of quality issues for the Agency. It can be anticipated that the traditionally existing Internal Auditing Unit will be reorganized into a Department of Quality Assessment and Internal Auditing, having as its main task to promote steps towards Quality Management along the lines of the UN Fundamental Principles of Official Statistics and the European Code of Practice.

In 2007 a private consultation company was hired for developing quality management into the processes of ARKS. A preliminary report has been produced on basic quality principles. However, all top- and middle managers, related to that work, seemed to be quite unsatisfied with the intermediate result, critisizing the consultation company for solely copying quality assessment basics from a private enterprise environment, not applicable for a public institution producing official statistics.

Among the middle management, challenged with new responsibilities of quality monitoring, a clear interest for materials of Eurostat, the European Statistical System (ESS), Statistics Canada and Statistics Sweden could be noted. There was a kind of "hunger" for learning methodological approaches for an organization-wide and more systematic way of monitoring quality. Besides the quite well known UN Fundamental principles also the European Code of Practice had a growing reputation. In the Global Assessment process the Quality Manager of the ARKS was interviewed with selected and relevant parts of the same questions, which are posed in the Peer Review process of the ESS (European Statistics Code of Practice – Self Assessment Questionnaire, Question groups 2, 4, 5, 6, 11 and 15). The questions and the replies to this light interview can be found in Attachment 10 of this Global Assessment Report.

A plan on quality work will start to be developed in the first quarter of 2008.

Assessment:
The ARKS is on a good way towads a serious approach on quality issues. A Quality Manager has recently been appointed, organizational reforms, providing a more systematic role for quality issues in the whole organization is underway and new fields of activities in this area have alereadly been commenced. The answers on a set of quality related questions, developed within the framework of Peer Reviews in the European Statistical System, posed to the deputy Quality Manager during the First mission on the Global Assessment, gave a picture of a serious – and also realistic – approach to quality issues to be encountered in the next few years.

The broad participation of middle management and staff members in the development of quality issues is decisive – good quality cannot be achieved by actions of a specialized Unit or even a Department working by itself on quality issues. Good and tangible results in this field will presuppose broad training activities of staff members both on awareness and methods to encounter and solve quality problems in a systematic way.

3.4 Finance and budgeting

The State budget is the main source for financing and budgeting

The state statistical service is financed from the state budget according to the adopted plan. The total budget allocated to the ARKS in 2007 amounted to 6.1 billion tenge (slightly less than 50 million USD), 2 billion tenge of this was for the regional offices. This represents an increase in budget partly due to the preparational costs of the Census of population and housing. The budget in 2000 was 1.6 billion tenge and in 2004 was 4 bn tenge. Adjusted to inflation there has been a real growth of the ARKS budget with slightly more than 10 % annually during the last 6-7 years.

3.5 Staffing, staff recruitment and training

Main characteristics

The number of personnel of the ARKS organisation is limited to a maximum of 4'230 staff members, out of which about 4'040 work in the regional and local offices.

111 of the staff in the Headquarters were in the end of 2007 women; in the central office of the ARKS they represent about 84 % of all staff. The average age of the staff members is about 43 years. Practically all staff members in the Headquarters are graduates from institutions of higher education or universities. In the Regional the share of university graduates is not very high.

The change of Headquarters from Almaty to Astana has temporarily diminished the staff number in the central office: in the end of 2005 the number of really employed staff members was 162; during the Global Assessment it was 134.

Management style

All staff has work descriptions. The level of know-how is monitored on a regular basis. This basic information, assisting the development of human resources has recently been inserted into a database form in order to make it more usable. A questionnaire on training needs of staff members in the headquarters has been performed in early 2007.

Language skills

In general, staff members have a command of two languages (Kazakh and Russian). Many staff members are learning Kazakh. In the Headquarters, a minor part of the staff is fluent in English and is able to understand documents written in English. There is now a centralised plan of foreign language training: 40 staff members in

the Headquarters receive support for their studies of the English language. Besides this some staff members study foreign languages at his/her own initiative.

Training policy

In earlier years an Academy of Economy and Statistics, originally established by the ARKS, was in the 1990'ies of importance in training and research activities in the field of statistics. This institution has in the beginning of this decade emerged into a self-sustainable institution and later turned into a private business, having in practice no links anymore to the activities of ARKS.

In 2008 a Centre for Statistical Education and Research will be established in Astana as a new function of the ARKS, most likely in cooperation with a professional organization, with experience in the field of training and education. This new Centre will aim at providing training for staff members working both in the Headquarters as well as in the regions. It will perform training functions also in the preparations of the Census 2009.

In addition to the regular training received by civil service officials, the ARKS staff avails of international training offered by TACIS, United Nations agencies such as SIAP, UNECE Statistical Division, UNESCAP Statistics Division, UN Statistics Division, UNFPA, IMF.and others. In 2007, around 40 staff members of ARKS participated in workshops and training on various topics, including the following ones:

- Preparations for the 2009 Census;
- National Accounts;
- Non-Observed Economy;
- Use of registers in the production of statistics;
- Migration;
- Gender issues;
- Violence against women;

- Information and communication technologies;
- Labour quality;
- and others.

In 2007 staff members of the ARKS also participated in a number of activities organized by the Statistical Committee of the Commonwealth of Independent States (CIS-STAT).

The ARKS has expressed its interest in expanding its role in hosting international training and workshops for the Central Asian Region and will explore mechanisms for doing so. In 2007 ARKS hosted a big pan-European Census Meeting, an international Expert Group Meeting and a Regional Training Workshop on the preparations of the 2010 Round of Population and Housing Censuses with the support of UNECE. In the very beginning of the year 2008 ARKS announced in the First Meeting of the Heads of National Statistical Offices of the Central Asian Economic Cooperation Organization (ECO) about its plans to establish a Training Centre for Statistics in Astana, which could in the future serve as a facility for training staff also from other NSOs in the sub-region.

Assessment:
The establishment of a Centre for Statistical Education and Research in Astana is a welcomed decision, as one of the main bottlenecks preventing development is the great lack of well trained professional staff. Also the Census preparations as well as the general need of training the staff in a continuously changing world - development of international statistical standards, continuous development of information and communication technology, the obvious need to develop new dissemination practices – underlines the importance of this decision.

The mission reiterated the importance of improving English language skills of the staff in order to benefit from the large volume of materials on statistical methodologies and developments that are available. Relying to a substantial amount on personal initiative of staff members is not sufficient. English language

education should still more strongly be enforced by supportive activities of the ARKS.

The interest of hosting and organizing international training and workshops is a welcome development especially for Central Asian countries. International statistical institutions should coordinate with the ARKS and develop a plan for realizing this.

3.6 Information technology[4]

Hardware

The availability of hardware equipment appears to be generally adequate in the Central Office but not in the regional offices. There is an average of about 2 staff members per PC with but the ratio varies across regions and a substantial number of machines are outdated.

Processing Systems

A separate individual applications system has been developed in FoxPro and is used for each survey to assist in data collection, processing, and presentation, with data held in DBF files. Thus, there are many separate applications to maintain. Furthermore, there are no links across surveys, making it extremely difficult, if not impossible, to integrate the resulting databases. The ARKS has started conceptualization of an integrated system comprising a Data Warehouse and online analytical processing, data collection and entry, a metadata repository, registers of persons and dwellings, and a portal for data collection and dissemination.

Network

[4] This sub-chapter is based on the material produced during the preparations of the Statistical Master Plan as well as on discussions with managers from the Calculation Centre during the First Mission for the Global Assessment

The ARKS corporate network connects Central, regional and district offices using Virtual Private Network (VPN) and VPDN technologies. The service is being provided by Kazakhtelecom. In a longer term, other service options may become available. Over a medium term, the demand for data communication will increase, particularly after the integrated data processing system has been operationalized, and the current capacity will be inadequate.

Regional and Local Offices

The Central Office building is new and well equipped and, although there are some minor problems, it can reasonably be expected that they will be resolved in the near future. On the other hand, the situation in the regional offices, particularly in the local offices, is far from satisfactory. Building facilities and maintenance have been neglected for a decade or more with the result that many of the offices are in a state of disrepair. This has an effect not only upon efficiency of operations but also upon staff morale. Furthermore it militates against recruitment of staff.

Assessment:

During the first mission, a plan and ongoing developments for an ambitious Data Warehouse project was presented as part of a broader initiative to improve knowledge management within the organization. The rationale and eventual utilization of the Data Warehouse should be clearly explained to all ARKS staff and the process should in a longer run include all agencies within the statistical system. Inputs of expected users during the stage of development are also important.

4.Statistical Infrastructure

4.1 Classifications

4.1.1 General Situation

The ARKS has, in principle, used international classifications – i.e. classifications of the United Nations (UN) – already for a long time. In recent years many classifications of the European Statistical System (EU) have been introduced as well in the framework of TACIS cooperation.

In the comprehensive methodological descriptions, published on ARKS' web site (676 pages in the PDF format – but only in Russian!) there is a detailed 42 pages description of international and national statistical classifications. In the ARKS the speed and the professionalism in implementing international classifications seems to be well organized. It is, however, not clear how widely the international classifications are used in all parts of the Statistical System. Are they uniformly adopted by all agencies producing official statistics in Kazakhstan?

4.1.2 Classification of Economic Activities (NACE)

In 2004 the ARKS established a new national nomenclature of activities, based on ISIC Rev.3, also including on its 5th level the NACE Rev.1 classes, and on its 6th and 7th level – with different codes – a link to CPA and PRODCOM.

The ARKS aims to have the revised structure of the basic classification to NACE Rev.2 for Kazakhstan by the end of 2007. The ARKS uses at present the NACE Rev.1 in most of its economic statistics.

The first step in adopting the NACE Rev.2 is the transition of the existing data collected according to NACE Rev.1 to correspond to the revised classification. This

was expected to be done by the end of 2007. In 2008 the new codes are going to be assigned to the units in the Business Register. Bridging to the product classification system will also take place in 2008. Survey preparation and other information collection based on the revised classifications are planned to take place starting from April 2009.

4.1.3 Classification of Products by Activity (CPA)

A revision of the Classification of Products by Activity used in the Kazakh production of statistics since 2002 is foreseen to take place in 2008. After a transition period the revised CPA of 2008 is planned to be be used as the national product classification. Monthly and quarterly production statistics are currently produced using the PRODCOM list.

4.1.4 Combined Nomenclature (CN) and Harmonized System (HS)

The Customs Control Committee uses for its foreign trade statistics a 12-digit level Commodity Code System including both Harmonised System (HS) and CN. Yearly changes in CN are adopted regularly. A good compliance in this field has already been achieved.

4.1.5 Classification of Territorial Units

Kazakhstan has a very detailed classification of administrative and territorial objects. Its latest update was done in November 2007.

4.1.6 Other Classifications

In the census of 1999, the ARKS used both the International Standard Classification of Occupations (ISCO) 68 and 88. In its Labour Force Survey ARKS has adopted – besides ISCO 88 – the International Classification on Status in Employment (ICSE) and the International Standard Classification of Education (ISCED) 1997. The Classification of Individual Consumption by Purpose

(COICOP) is used for the Household Budget Survey, Price Statistics and Purchasing Power Parities.

Assessment:

The ARKS is following the developments in the sphere of classifications in a good and covering way. The time lag between the adoption of an important classification on the international level and its implementation by the ARKS is about two years, which is corresponding the level of NSOs in economically developed countries.

The transition to new classifications is a complex procedure, which needs time and resources – and also much training of the staff.

It would be important for the ARKS to set up a classification server for making the use of the classifications easier in the production process. It should include the present classifications, the former classifications, transition keys, links between the classifications and links to other administrations that shall help to support a nation-wide harmonisation of classifications. This classification server could possibly also be used by other public agencies and organizations having responsibilities in establishing and updating administrative registers. In this way such a repository of classification server could support also other organizations producing official statistics in Kazakhstan.

4.2 Statistical Registers

4.2.1 Business Register

The ARKS' Statistical Register of Enterprises is the primary source of frames for all economic surveys. The register was established already in the 1990'ies. It is maintained basically using data from the Tax Administration.

This Register, practically named "Business Register", covers all registered legal entities and individual entrepreneurs and contains data on the main characteristics

of the units (legal status, type of unit, economic activity, ownership, economic sector, economic data, including number of employees).

The ARKS has put in a substantial amount of planning and maintaining work into safeguarding the quality of the statistical Business Register. It is the best statistical register ARKS today is in possession of for its statistical work.

Notwithstanding this, three deficiencies have still to be addressed: (1) the register contains many units that are inactive or non-existent, but are indicated as being active; (2) it does not include any information on turnover, which would be useful for sampling purposes; (3) it does not indicate the appropriate reporting units for large complex enterprises.

4.2.2 Sampling framework for Household Surveys / Statistical Population Register

The sample frame of ARKS's household surveys is based on data from a separate statistical register on population. These data build on the results of the Population Census of 1999 which are updated annually. It goes without saying that the quality of this register in the course of years has deteriorated. As the population of Kazakhstan is presently estimated around 15 million, this register contains a population of about 14 million inhabitants.

In connection with the next Round of the Population and Housing Census, to be conducted in 2009, there were discussions have in autumn 2007 been held with the authority responsible for maintaining the Register of Physical Persons, i.e. the Ministry of Justice, on the possibility to make use of the existing register information for the Census enumeration process. In the context of the general development of "Electronic Government" in Kazakhstan, there are plans to develop this register into a genuine Population Register, making use of a covering system of individual registration codes. There has also been a proposal made by the Ministry of Justice to the ARKS to make joint use of the information collected in the Population Census for updating the content of the administrative register of

physical persons. This latter option should be considered with caution. In fact, according to the Fundamental Principles of Official Statistics, data collected for the Census should not be used for non-statistical operations, like in this case the updating of an administrative registers[5].

4.2.3 Registers on Dwellings

An administrative Register of Dwellings exists at the State Committee of Land Resources. Its coverage is, however, still fairly incomplete. The Agency of Statistics also maintains a Statistical Register of Dwellings, with individual identification numbers for all registered dwellings. This register is based on the information collected during the previous Census in 1999.

Both dwelling registers suffer from the lack of a systematic updating of the content. They provide new data on changes in the dwelling stock – but without a sufficient coverage or in a systematic way. The municipalities in Kazakhstan do not have a legal obligation to produce and follow up the development of dwellings and thus the updating sources are incomplete and partly irregular. Registrations of changes in ownership, reports from the "Akimats", household book reports twice a year from countryside dwellings, materials collected partly on a sample survey basis for construction statistics in cities and towns are the main updating methods.

The content and thus the usability of both registers cannot for the moment be considered satisfactory. Besides this they are also based on different classifications.

For these reasons the Register of the Committee of Land Resource is not used for producing of statistical information on dwellings. The Agency of Statistics has built up software for transmitting the information from that register to the statistical

[5] The implications of non-statistical functions of a census are discussed in the *CES Recommendations for the 2010 Round of Population and Housing Censuses* (United Nations, New York and Geneva, 2006) and http://www.unece.org/stats/publications/CES_2010_Census_Recommendations_English.pdf . See para 17 of the Recommendations.

register on dwellings. Notwithstanding this, the consistency between the registers cannot be considered satisfactory. Presently, insufficient resources are devoted to the development work of both the administrative and the statistical dwelling registers.

Assessment:

The present use of registers in the production of official statistics is still not systematic, not sufficiently reliable, and far from an ideal situation. For example, even within the ARKS, the units producing economic statistics do not use the business register extensively. The main reason for this is the fairly great number of inconsistencies and lack of coverage in the present registers.

The efforts to develop both population and dwelling registers to be used in the preparations of the forthcoming Population and Housing Census can be strongly supported.

However, microdata information on individuals or household relations, e.g. microdata collection results of the Census should not be directly used for updating the Register of Physical Persons by authorities outside the Statistical Agency. International standards clearly recommend to refrain from updating administrative registers with data from statistical information collections, based on an assurance of confidentiality issues. The Census belongs to this category of information collections.

The drive for improvements in the usage of registers and the promotion of joint activities by the Agency of Statistics and the different register-keeping authorities to improve register structures and updating practices can, likewise, be strongly supported. These efforts will certainly bring benefits and efficiency gains to both register-keepers and the Statistical System. In order to avoid any possible negative counter-reaction by the public, however, it is of utmost importance to adequately safeguard the confidentiality of data on individuals, enterprises and organizations in the registers, notably with request to the exclusively statistical use of microdata by the ARKS .

It is also important that information collected for statistical purposes is not used for updating individual data in administrative registers. The flow of microdata can go only in one direction – from administrative registers to statistical registers. See more on this topic in Attachment 1, Principle 6 – Confidentiality.

The statistical community has a world wide good reputation of strict adherence to confidentiality principles. The international recommendations are clear and strict, as can be seen for instance in the Guidelines, adopted by the Conference of European Statisticians (CES) in June 2006 on microdata access – "Guidelines and Core Principles for Managing Statistical Confidentiality and Microdata Access", http://www.unece.org/stats/documents/ece/ces/2006/6.e.pdf . The CES Recommendations for the 2010 Censuses of Population and Housing provide important material on this, as well, see http://www.unece.org/stats/publications/CES_2010_Census_Recommendations_English.pdf .

4.3 Population statistics (censuses, migration, vital statistics)

Population statistics in Kazakhstan are mainly based on the Population Census (latest being the 1999 Census, with a new Census to be conducted in 2009), data on births and deaths from the vital registration system and data on migration from records of arrivals and departures. The framework, concepts and classifications for the compilation of population, fertility and mortality statistics are basically consistent with the international standards recommended by the Conference of European Statisticians (1997 and 2006), UNECE, Eurostat, UNFPA, UNICEF and the Statistics Division of the United Nations Secretariat.

Annual Population statistics are produced on the basis of the results of the most recent population Census, to which the numbers of births and new arrivals in a given territory are added and the numbers of deaths and departures from that territory are subtracted. In place of direct data on the total number of the above

mentioned flows (births less stillbirths, deaths, arrivals, and departures), the calculations also make use of the net natural increase (decrease) as the difference between the numbers of births and deaths, and the net migration increase (decrease) as the difference between the numbers of arrivals and departures.

4.3.1 Population Census

The last population Census of Kazakhstan was successfully conducted in 1999 and preparations are well underway for the 2009 census.

The data processing in the 1999 Census was conducted successfully with eleven data scanners located in different parts of the country. The Kazakh Agency of Statistics was the first in Central Asia to make use of scanning techniques for speeding up and improving efficiency of the census processes[6]. The first results were published within 12 months after the census enumeration period. The Census results of 1999 are still used for generating monthly and annual population estimates, demographic analysis and they are the basis for sampling frames for household surveys.

Census day for 2009 will be February 25 with a 10-day enumeration period. The enumeration method will be based on interviewers and paper questionnaires. Preliminary data are expected to be relased by June 2009 and the final results will be available by December 2011 in printed and digital (CD-ROM) forms. The CES Recommendations for the 2010 Census Round will be followed, and the recommended topics on internal and international migration and on fertility will be

[6] For a more detailed description of the experiences of the 1999 Census process and, among other things, the extensive use of scanners, see the presentation "CENSUS TECHNOLOGY: RECENT DEVELOPMENTS AND IMPLICATIONS ON CENSUS METHODOLOGY – Experience in using scanners to process data from the 1999 Census", submitted by the ARKS at the UNECE-Eurostat Meeting on Population and Housing Censuses in Astana 4-6 June 2007. This presentation is available in English, as well as in Russian at the web sites http://www.unece.org/stats/documents/ece/ces/ge.41/2007/7.e.pdf and http://www.unece.org/stats/documents/ece/ces/ge.41/2007/7.r.pdf .

collected. Also a substantial number of Housing topics will be included in the forthcoming Census. Mortality and disability data, however, will not be collected. As part of the preparations, a 1% pilot census will be conducted in the Region of Turkestan (in Southern Kazakhstan) in February 2008.

In the 2009 Census, it is planned that the unique personal identification number (PIN) will be collected. The cross-checking activities and the quality of the information will thus be improved. This approach, however, could have potentially and adverse effect and should be handled with especial caution. If all neccessary confidentiality prerequisites are not followed and clearly stated by the ARKS, there is a danger that part of the respondents of the Census could associate the Census with normal administrative operations and not have the readiness to respond in the open and frank way expected in information collections performed for solely statistical purposes.

Following the successful use of OCR scanners in the 1999 population census and the 2006-2007 agricultural census, the 2009 census will use the same technology for data capture, but in a new developed form. Since the previous census, important developments have taken place in the field of information technology.

Preparations for the Census have started with the training support from UNECE and UNFPA. A problem may be that there are currently only ten persons working with the Census preparations centrally.

Assessment:

The preparations for the 2009 Census have started in Kazakhstan, and there are both encouraging elements and issues that still need to be addressed. On the positive side, Kazakhstan in 1999 was the first country in the region adopting scanners for Census data. Building on that experience, and based on the improvements in the technology that have taken place in the last ten years, there are good conditions for a succcessful implementation of this technology in the next

Census. Another positive element consists in the broad range of training and support activities in the field of Population Censuses from which the Agency benefited. The Census staff of the Agency participated actively in these activities and is more aware than in the past of the international standards and requirements.

With regard to the definitions of information to be collected in the Census, the Census could be used to collect better data on undocumented international migration (emigration and immigration). Colleting this type of data is a major challenge, but they are very important to improve the population estimates and they could also to provide the basis for the formulation of relevant policies. The Census is not, in general, the best source for this type of data, but it can be used when other sources do not provide data of sufficient quality, as it is the case in Kazakhstan.

On the negative side, it should be noted that the number of human resources allocated to the Census preparations – at least at the time the present Global Assessment was conducted – did not seem to be sufficient, especially considering that the time still available for the preparations is very short.

Another potential reason for concern is the plan to include in the Census form the unique personal identification number (PIN). This proposal is intended to improve quality and completeness of the census data, but there is a danger that it could, if used improperly, have an adverse impact.

4.3.2 Annual Population Statistics

The vital statistics registration system records births and deaths as well as marriages and divorces. Information on births and deaths is based on statistical processing of data reported on the second copies of birth and death certificates prepared by civil registry offices.

It should be noted that only live births are registered. In this respect, the use of the previous Soviet time definition of life births has an implication on the estimates of infant and childmortality. Available statistical evidence from household sample surveys (e.g. the Multiple Indicators Cluster Survey, MICS) and pilot studies carried out in selected regions, suggest that official data currently underestimate child and infant mortality.

Internal (inter-regional) and external migration is recorded through a separate system of administrative records of internal affairs bodies (the Migration police). This information is given to the local group of villages (*Akim).* Data are cross-classified by region, sex, age, nationality, and other characteristics.

Data on total population and natural movement are released monthly. The population estimate is an approximation of the number of residents in the country or a part thereof made without conducting a special population census. These estimates are derived as follows:

- The results of the population census are shifted from the date of the census to January 1 of the year to be reported.

- For these purposes supplemental information is collected and processed in census years on the numbers of births, deaths, arrivals, and departures over the particular period broken down by all administrative-territorial units in respect to which total population calculations are made, separately for urban settlements and rural areas and distributed by gender. The breakdown of the data by sex is also done arbitrarily by applying sex ratios to the total number of events determined on the basis of yearly processing of data on natural movement and migration of the population last available year before the population census.

- All subsequent calculations are carried out using data as of January 1 of the particular year to January 1 of the following year (e.g., as of January 1, 2008 based on data for January 1, 2007 and changes in natural movement and migration of the population during 2007, etc.).

- The population's emigration figures are adjusted partially on the basis of data received from the statistical committees of other States on the number of citizens arrived from Kazakhstan for permanent residence.

- The calculations of the size of population in urban and rural areas also account for changes resulting from administrative and territorial transformations (ATP) - transformation of rural population centers into urban ones (wholly or in part), their inclusion within urban settlements, and transformation of urban settlements into rural population centers.

Assessment:

All vital events are systematically registered in Kazakhstan. Practically all persons have an ID-number. Each person in rural areas is registered in a household book. In urban areas most inhabitants are also registered. The registration accuracy of migrants is, however, problematic. This concerns both incoming and outgoing migration and also both international as internal migrants. With the exception of this still mainly unsolved problem and the still existing deviations of the practices of registering infant mortality from international recommendations, the basis for vital statistics is good.

Measures should be taken to improve the present ways of registering and reporting infant and child mortality by adoptting the International Live Birth Definition, recommended by the World Health Organization (WHO) and monitoring its implementation on both the national and regional level.

The Census 1999 did not contain information about personal identification numbers, only full names. For that reason, it has been difficult to identify persons from the census and combine them with information on births, deaths, migration and changes in civil status. In the 2009 Census, it is planned that the unique individual code number will be collected, so the cross-checking activities and the quality of the information will thus be improved.

The strong drive for the development of high quality registers both for population and for dwellings will facilitate the development of demographic and social statistics in future years. As referred to in Sub-chapter 1.6 of this Global Assessment, there is a broad and quite high-level Census Committee providing support from different stakeholders of the 2009 Census. Also the financial support of the Government for the implementation seems to be adequate. There is clearly a good understanding of the great importance of the Census among the upper layers of the Nation's decision makers.

4.4 Household surveys (labour force, household budget)

Household surveys are the main sources for the social indicators in Kazakhstan, including employment and unemployment, poverty measures and gender statistics. The Demography and Social Statistics Unit of the ARKS is responsible for the two main household surveys - the Labour Force Survey, first introduced in 2001, and the Household Income and Expenditure Survey, conducted since 1997.

4.4.1 Labour Force Survey

The Labour Force Survey is a quarterly survey with reference week the third week of the reference month for the quarter. It is financed by national sources and covers about 21'000 households. This is approximately 0.5 % of all Kazakh households. All regions (oblasts) are covered and the presentation of the results is on the oblast level. The questionnaire covers employment, unemployment, age, gender and type of activity. The concepts and definitions follow the ILO recommendations. For the moment there are no plan to develop the quarterly survey into a monthly one.

The current sampling frame is a register of households based on the 1999 Population Census. One fourth of the sample is replaced every year.

The results from the labour Force Survey differ a lot from the figures on registered unemployment which is based on administrative records. However, it is the Labour Force Survey figures, which form the basis for the official reporting of unemployment in Kazakhstan.

In general, the household response rate is more than 95 percent except in Astana where response rates are lower due to the substantially big share of non-permanently residing labour force working in the construction of the new capital. The concentration of activities belonging partially to the non-observed economy (non-registered taxis, non-reported restaurant employees etc.) into bigger cities, like Astana and Almaty, also reduce the real response rate.

The LFS can serve as the core survey with modules on other topics attached to it, as needed. This has already been done in a study of poor people and there are plans to use the LFS for a module on questions regarding the non-observed economy. Presently, however, collection of data on informal employment takes place only within the framework of the collection of data to estimate the non-observed economy when calculating National Accounts (see Sub-Chapter 4.8.).

Assessment:

The Labour Force Survey should cover all forms of employment, including the employment in the non-observed sectors of the economy.

4.4.2 Labour Cost Statistics

Labour cost statistics are collected once a year, based on enterprise surveys. They cover all sectors, including agriculture.

4.4.3 Income and Expenditure Survey

The household income and expenditure survey (HIES) is a continuous survey with a rotating panel. The sample design has changed over the years. The current design, in place since 2001, selects a sample of households from the household register (based on the 1999 population census) using stratified random sampling technique. Six strata have been defined: (1) urban areas with more than 30,000 households, (2) urban areas with 10,000 – 30,000 households, (3) urban areas with less than 10,000 households, (4) Almaty, (5) Astana, and (6) rural areas. The sample consists of 12,000 households rotated each year. The sample is considered to be representative at both country and regional levels. An appropriate sampling technique is used to select the number of families representing each income level from each region of the country.

Data are collected quarterly. The expenditure items are based on the COICOP classification (about 130 groups of goods and services). Data collected are sufficiently detailed and cover purchases of consumption goods and services, purchases of durable goods, production (including for own-consumption), and own-account fixed capital formation. Purchases of other assets are not covered by the survey. In addition, data on transfers and employment (including in the informal sector) are collected for national accounts compilation.

Imputation techniques are used to handle non-responses. The sample is considered self-weighting for compiling the grossed-up results necessary for national accounts aggregates.

In an effort to collect information on migration, ARKS has included already for many years in the Income and Expenditure Survey some questions about non-present family members working abroad or within another region in Kazakhstan. However, the response rate on these questions – „how many“, „for how long a period“, „where“ - has been so low that the data has not been considered reliable, and therefore has not been used for estimation of migration flows or levels.

Assessment:

The HIES is a key source with a potentially triple use: for national accounts (structure of consumption); for the weights in the CPI, and for poverty statistics. However, inclusion of questions on employment and migration do not seem to be the most efficient solution, and may be better taken up in the context of the LFS.

Furthermore, the survey data should be properly weighted or grossed up when producing the indicators from the survey. "Representativeness" achieved through the various stratification variables is an important part of the design but does not take the place of proper weighting.

The 2009 census is an opportunity for updating the sampling frame for the household surveys of Kazakhstan.

4.4.4 Other household surveys (Time-Use, Demographic and Health Surveys, Statistical information on violence against women)

The main source of information on people's time budgets in Kazakhstan is a sample household survey, conducted once every three years (beginning in 2000) by the State statistical authorities in all provinces and in the cities of Astana and Almaty. The purpose of the survey is to obtain information about how time is allocated between work (paid and unpaid) and non-work activities, identifying differences in time use between urban and rural areas, men and women, adults and children. The exercise covers all household members aged 6 and over, and the study of time use extends over seven days and all days of the week. The survey was conducted in 2003 and in 2006.

In 1999, a demographic and health survey was conducted by the Ministry of Health. This is not, however, being done on a regular basis.

The Agency of statistics is considering carrying out a sample survey to measure Violence against Women (VaW). To this purpose a workshop was held in

November 2007, jointly organized by UNECE and the Agency of Statistics, to foster the exchange of views between data producers and data users (policy-makers, NGO's, researchers), to better identify information needs on the subject, to asses available sources and to address the main methodological issues to develop a population-based sample survey on violence agains women.

Particular attention has been devoted to two main options to carry out such a survey:

- Develop and implement a dedicated survey on VAW
- Develop a short module on VAW to be included in another survey, e.g. the MICS survey.

Assessment:

It is recommended to identify the option that would better fit the information needs and the implementation capacities of the statistical agency, including funding, so that a population-based survey on violence against women could be carried out in the next few years.

4.5 Business Statistics

Business statistics are compiled by the Department of Microeconomics of ARKS.

Statistics are currently compiled with focus on the branch of activity (functional approach). The need for collecting information on the enterprise (institutional approach) is however recognized and steps are being taken to implement data collection methods for this purpose.

In general, business statistics are based on questionnaires returned by enterprises on a monthly, quarterly and annual basis. On a monthly basis, the main statistical

output is the industrial production index, but other short-term enterprises statistics are also produced for other economic sectors, such as construction, domestic trade, transport and communications, and services.

The ARKS business statistics units apply different approaches in sample design and estimation procedures depending on the economic activity (at one digit level of the National Classification of Economic Activities). In industry, the enterprises are grouped by size: large (more than 200 employees), medium (50 to 200 employees), and small (less than 50 employees). The first two groups are surveyed by complete enumeration, while the third one by sampling techniques. The sample of the small units is drawn from the business register using a simple random sampling technique. The annual sample is based on the status of the units in the register as of the current year, while the quarterly sample is based on the status of the units as of the previous year.

In agriculture, the units are grouped in two sets—legal units and households. The legal units are surveyed by complete enumeration according to their activity (crops, livestock breeding, and agricultural services). The households are surveyed by a sample drawn from four other registers maintained by the agricultural statistics unit. The survey approach for all other activities is quite similar—the legal units and households are surveyed by different forms and techniques. The sampling criteria for each economic activity depends on the size of the units.

In the case of surveys for intermediate consumption, all enterprises from the business register are stratified in three groups: large, medium, and small. The first two groups are surveyed by complete enumeration, while the small enterprises (up to 50 employees) are surveyed through sampling.

4.5.1 Structural Statistics of the Enterprises

Creation of the structural statistics that would be common for all branches is a starting point of the development of statistics of the enterprises. Questionnaires 1-PF and 2-MP meet the needs of structural statistics. PF stands for Production and

Finance Reporting (производственно-финансовой деятельности предприятия) and this questionnaire is used for enterprises with 50 employees or more. MP stands for Small Enterprise Reporting (малые предприятия) and this questionnaire is used for enterprises with less than 50 employees. These questionnaires are intended for gathering the information on all activities of the enterprises with quarter and annual periodicity.

Annual questionnaires have the fullest information on production, expenses, financial results, debts (general and foreign), taxes and balance. Besides that, 2-MP contains sections on the number and presence of a fixed capital, on the use and commodity stocks. Since 2002 the section on capital investments in 1-PF has been expanded. Starting from 2008 two sections were brought in the quarter-based forms 2-MP and 1-PF – "Indicators for the Money Movement Report" and "Currency position" which include 67 parameters. In 2-MP form which covers the enterprises with employment up to 50 persons, selective surveys of quarter and annual periodicity are being held.

Assessment:

4.5.2 Statistics of Domestic Trade

The Statistical Nomenclature of the Goods by Kinds of Trade (SNTVUT) is used for production of disaggregated data. SNTVUT was revised in 2006 - more detailed elaboration of the commodity nomenclature, up to nine signs of CPA, was introduced.

In addition to regular inspections one-time surveys are conducted in the sphere of trade. For example - the surveys of activities of gas stations, restaurants, cafe, bars; wholesale and retail trade of alcoholic production; retail of medical products. Information collection covers the enterprises and individual entrepreneurs. Sample survey was stipulated for individual entrepreneurs producing services of restaurants. In 2007 surveys for the retail trade of printing products, the volume of

services of automobile and household products maintenance and repair were conducted. These surveys also cover both enterprises and individual entrepreneurs. Individual entrepreneurs working in the sphere of services of automobile and household products maintenance and repair also have been studied on the basis of sample survey.

The European Union has in the framework of the TACIS programmes supported the development of statistics on trade.. In 2006 a pilot survey for e-commerce was conducted within the component “Statistics - 8" of the project "Statistics of Services".

Within the project of unbound (not-connected) grants from December 2006 till October 2007 the project "Short-term statistics of trading enterprises" was conducted on a joint basis with experts of EU. During the given project experts of EU have developed and presented the methodical recommendations for calculating the monthly index of physical volume of retail trade; for calculating the indicators of activities type (section G of General Classification of Types of Economic Activities) “Trade and repair of automobiles, household products and private use products", that are intended to be used also for national accounts production. Experts gave recommendations on improving the data publication on trade. Experts of EU have acquainted employees of Department of Microeconomic Statistics with the recommendations of EU on short-term statistics of the enterprises (#1165/98, May 19, 1998) and capabilities of seasonal adjustments of the statistical information materials. The presentation, instruction on use and practical lessons on use of program TRAMO/SEATS were given for the workers of Department of microeconomic statistics. Experts of EU gave the software products TRAMO/SEATS and X12ARIMA that enable smoothing of time series according to the international practice.

Assessment:

4.5.3 Transport and Communications

Current surveys cover on a monthly basis only the large and medium-sized enterprises, having transport as their main activity, and on a quarterly and yearly basis all enterprises. The annual survey covers also enterprises for which transport is not the main activity. Questionnaires of these surveys use the national versions of the classifications NACE and CPA. Around 500 large and medium-size and 2000 small enterprises are presently active in this branch of economy according to the Business Register of ARKS. However, transport activities belong to the most characteristic fields of non-observed economy, which complicates the production of reliable trasport statistics.

A sample survey on freight hauls by road was conducted in Eastern Kazakhstan in the year 200? (check?? –pb). The survey results were presented in a publication containing methodology and indicators of the sample survey (transported freights by transporters, by connection and cargo types, turnover of transported goods etc.).

[*Need to obtain updated information on the following which was reported in 2003 assessment: -M.G*] Currently a new sample survey of passenger flows in Kazakhstan is being prepared. These surveys will cover all entities that are included in the register of the Ministry of Internal Affairs, not only transport enterprises.

Expert estimates of non-declared activities by private persons are made according to a methodology, which is based on verification of the mean balances between the total consumption of fuel and the number of kilometres declared.

Assessment:
[*Need to get an update on the following which was reported in 2003 assessment: -M.G*]

The transition towards an institutional approach and the development of real business statistics remains a challenge in Kazakhstan. Although the business register is based on an institutional approach, it is still in the process of being

completed. There are however problems with the use of the standard statistical units. Functional units which cover only some branches are frequently used in the surveys instead of standard statistical units.

4.5.4 Service Statistics

Services are surveyed both quarterly and annually on an integral basis. Additional surveys and censuses are held to obtain reliable control indicators. Furthermore specific surveys on services are carried out. In 2002 petrol and gas filling stations owned by juridical persons and individuals were surveyed. For 2003 surveys were planned on enterprises and individual entrepreneurs engaged in trade of alcohol, on intermediaries in real estate transactions, on tourists entering the country, on tourist accommodations in hotels and health resorts.

Assessment:

[*Need update on the following which was reported in 2003 assessment: -M.G*]

The survey coverage of the service activities is considered to be poor. No imputation methods are used to handle non-response; simple grossing up from survey data is done to compile the total population data. Information on sampling and non-sampling errors is not assessed and published. Data collected are sufficiently detailed to derive gross output for all economic activities.

Substantial progress has been achieved in the development of Service statistics. For the future the coverage ought to be increased and methods ought to be introduced to reduce the non-response in the surveys.

4.5.5 Other business statistics

New statistical series are being developed by ARKS. For example, in 2006 the statistical qualifier of services was developed. Statistics on culture and advertising and statistics of innovative activity of enterprises are being conceptualized. In 2005, an enterprise survey on the information society was conducted. The survey

obtained data on access and use of computers, number of mobile phones and subscribers to internet services. In 2006 within the project of TACIS "Statistics of Communications" the pilot survey on the use of information-communications technologies (ICT) in households was conducted.

Assessment:

4.6 Basic agricultural statistics

The sources of data on agriculture in Kazakhstan are:

- juridical units, based on total accounting of a state statistical reporting;
- farmers, on the basis of sample surveys (30%) and parameters of the "Book of the Farmer Facilities Account";
- facilities of the population, on the basis of sample surveys (5%), parameters of facilities` account of personal farms of the population;
- country and gardening sites, on the basis of sample surveys of country and gardening cooperative societies (5%); and
- agricultural census

In accordance with the governmental decision Nr. 463 "On carrying out the first national agricultural census in the Republic of Kazakhstan" (April 24, 1999), an agricultural census was planned to be conducted in 1999. Pilot censuses were carried out following the recommendations of experts of FAO and other international organizations.

The 2006-2007 agricultural census was carried out in two stages. The first stage from August 10 till September 4, 2006 covered the surveying of characteristics of crop production - structure of the ground area, areas under crops by kinds and grades of agricultural crops, vineyards, application of fertilizers for agricultural

crops, and infrastructure. The second stage, from January 14 till February 8, 2007 focused on the characteristics of the livestock industry - livestock of cattle, breed, all possible constructions for the maintenance of animal husbandry, their areas, production power and capacity, technical equipment, the service-centers for providing services for development of agriculture.

Assessment:

It is not clear, whether the recent agricultural census results are used as a basis for developing sampling methods for the production of agricultural statistics. If this is not the case, it is highly recommended to develop a sampling frame for agricultural surveys and to develop ways to have this frame updated. This would largely bring efficiency into the traditional way of producing agricultural statistics, as compared to the methods, developed in the situation of planned economy and big agricultural production units.

4.7 Macroeconomic Statistics

Note: Kazakhstan subscribed to the SDDS in March . 2003 and met all the SDDS requirements at the time of subscription. The 2006 report on the Summary of Observance - http://dsbb.imf.org/vgn/images/AnnualReports/2006/KAZ_SDDS_AR2006.PDF - shows that Kazakhstan's dissemination policy concerning periodicity and timeliness of the SDDS prescribed data categories and their components, as well as the flexibility options allowed under the SDDS have been observed since the time of subscription.

Many of the descriptions below, particularly the data series covered by the SDDS, are drawn from the metadata available on the IMF-DSBB web site. This is especially true for the areas which were not sufficiently covered during the first assessment mission. The metadata were generally updated by the responsible agencies of Kazakhstan - i.e. the ARKS, the National Bank, the National Customs Committee - in November 2006 and last updated by IMF staff in October 2007.

The IMF-DSBB web site also provides information on dissemination practices, release schedule, and data quality indicators of the SDDS reporting of Kazakhstan and the reporting system in general. These are not discussed below.

Assessment:

4.8 National Accounts

A department of macroeconomics, consisting of three units is responsible for the compilation of national accounts, prices and price indexes and other economic accounts (e.g., input-output tables and satellite accounts).

Annual national accounts estimates are available since 1990 and quarterly national estimates are available since 1994. The mission was informed that monthly GDP estimates are nowadays also compiled. Starting from 1994 a short SNA version of input-output tables is being compiled. Since 1995 the gross regional product (GRP) is regularly calculated on an annual basis. ARKS is currently developing quarterly regional GDP.

Data on gross domestic product (GDP) are disseminated in billions of tenge in current and constant (1994) prices. There are plans to rebase to the year 2000. The data are compiled by both the production and expenditure methods and cover the entire economy of the Republic of Kazakhstan. Disaggregated GDP data compiled by the production method are disseminated in both current and constant prices for: gross value added by economic activity (all 17 activities); financial intermediation services indirectly measured (FISIM); taxes on products less subsidies on products.

The data are classified in accordance with NACE already since the year 1997. The data are compiled in accordance with the methodology set forth in 1993 System of National Accounts (SNA-93).

Expenditure-based GDP data are disseminated in both current and constant prices with a breakdown by the following categories: household expenditures; expenditures of nonprofit institutions serving households; government expenditures (individual and collective); gross fixed capital formation; changes in stocks of tangible working assets; exports of goods and services; imports of goods and services.

The data are preliminary when first released. Quarterly data become final following reconciliation with annual national accounts data, which can take up to two years after the initial release of the data. Revised and final data are published in the annual statistical bulletin „Национальные счета внутренней экономики“ (National Accounts of the Domestic Economy) and in the statistical compendium „Национальные счета Республики Казахстан“ (National Accounts of the Republic of Kazakhstan).

Annually and quarterly, two basic sets of data for the national accounts are collected: surveys of output and intermediate consumption. The annual and quarterly surveys for output (by economic activity) are the major data sources for compiling gross output estimates for the nonfinancial, household and non-profit institutions serving households (NPISH) sectors according to the production approach. These business surveys are described elsewhere in this report. For the expenditure approach, the basic source data is the household income and expenditure survey (HIES), described elsewhere in this report.

Comprehensive government finance statistics are available on a monthly and annual basis from the Ministry of Finance (see sub-chapter 4.11) for (1) central government, (2) regional governments, (3) local governments, (4) the state social

security fund, and (5) non-profit institutions financed by the government. The Ministry of Finance also provides data on all defense related expenditures and on capital stock for the general government.

The coverage of the total economic activities by the annual and quarterly surveys, in terms of value added, can be considered to be very good for the units of the non-financial sector (over 90 percent) and less satisfactory for the households and the NPISH (about 50 percent). The survey coverage of the service activities is considered to be poor. Data collected are sufficiently detailed to derive gross output for all economic activities.

In the case of surveys for intermediate consumption, the coverage of total economic activities, in terms of value added, for the large and medium enterprises is more than 90 percent, while the coverage of the small enterprises is about 50 percent. On a four digit level of the NCEA, the coverage of the first two groups of enterprises is very good, while for the small enterprises it is not satisfactory. The small enterprises are sampled using a simple random sample. Imputation for non-response is not done. Simple grossing up is made using factors by activities. The data collected are sufficiently detailed to derive intermediate consumption and gross fixed capital formation.

Expenditure data are collected quarterly. The expenditure items are based on the COICOP, classifying about 130 groups of goods and services. Data collected are sufficiently detailed and cover purchases of consumption goods and services, purchases of durable goods, production (including for own-consumption), and own-account fixed capital formation. Purchases of valuables are not covered by the survey. In addition, data on transfers and employment, including in the informal sector, are collected for national accounts compilation.

For government finance statistics detailed data are available to measure output, intermediate consumption, fixed capital formation, and final consumption expenditure of government.

The ARKS estimates two components of the non-observed economy — hidden and informal sector activities. Current procedures were developed as part of a project to improve the system of NOE estimations based on the analysis of the employment situation, i.e. not solely from the income point of view. The bases for the studies were the NOE framework described in the OECD handbook on NOE and the Italian experience in this area. The ratios of the level of unrecorded activity to the total in various sectors which are obtained from special annual surveys/studies of such activities are applied to the quarterly data to account for undercoverage and underreporting of legal activities. On average, these estimates amount today to ~20% percent of GDP.

Estimates on hidden economic activities of enterprises are based on analysing primary data about output, costs and value added components, as well as on the method of balancing. As for households, both indirect methods and data from special surveys, e.g., pilot survey on informal sector activities conducted in 2003, are the main bases for estimation of their informal activities.

ARKS has recently started the regular production of National Accounts calculations on a Regional (Oblast) level. ARKS has compiled a tourism satellite account. It is currently compiling an input-output table in fixed prices for reference year 2006 which is expected to be completed in 2008. Input-output tables in current prices have been produced already since the 1960'ies on an annual basis.

Assessment:

National accounts are in principle produced and published according to international standards. ARKS produces and publishes all materials, accounts and tables, recommended by the SNA-93 Standard.

The conduct of a household unincorporated enterprises survey attached to the labour force survey (such as in a '1-2' survey approach) could be considered to improve estimation of informal sector GDP as well as in support of the institutional approach to GDP estimation.

The data base requirements for monthly GDP and quarterly GRP estimates can be tremendous if accurate values are to be produced. ARKS should carefully review whether more frequent estimates are actually needed and whether the existing data base can support this.

Improving estimates by better accounting of the non-observed economy should continue.

4.9 Price Statistics[7]

4.9.1 Consumer Price Index, CPI

The CPI is based on a regular monthly price survey. The survey covers around 500 representative goods and services — 170 food products, 260 non-food items, and 80 services. More than 100 000 prices are collected each month.

Population and geographical coverage

All resident households, both urban and rural, and low an high income households, are included in the CPI. Concerning the geographical coverage the CPI covers 14 oblasts, 27 districts, Almaty, Astana, and three other large cities. Sampling

[7] The assessment of the price statistics is based on the 2003 assessment, updated with information available from the IMF´s SDDS for the CPI and the PPI and from the ARKS webpage. This sub-chapter has been rewritten by price specialists of UNECE.

techniques are used to ensure the representativity of households according to size and income level within these areas.

Coverage of goods and services

The CPI includes goods and services available for purchase by the households on the economic territory. It thus broadly covers households final consumption expenditure as defined in the 1993 SNA. Housing costs such as rents, maintenance costs, and utilities are included, although the weight is quite low due to cooperative housing facilities provided by the government. Imputed rents for owner occupied housing are not included in the CPI.

Price collection

In each oblast centre there are 7 interviewers and there is one interviewer in each of the selected 87 rayons. In Almaty there are 12 and Astana 10 interviewers. There are also two interviewers in each of the cities Zhezkazgan and Semipalatisk. Each interviewer covers at least 10 shops. Data are processed and controlled at oblast level. The oblasts (provinces, regions) report prices for the selected items via Internet, which assure timely processing.

Weighting basis

The expenditure weights are derived from the HIES and revised annually. This system of updates assures that the CPI reflects current consumer purchasing behaviour. Consumption expenditures are recorded at actual market prices including taxes and any extra charges. Illegal market transactions are not included. Estimates are made to take account of consumption of own-account production.

Classification

Households' consumption expenditures are aggregated according to the COICOP classification and are thus in conformity with internationally accepted standards.

Publication

CPI sub-indices are published at a detailed level of aggregation according to COICOP. In addition CPIs for the main groups of goods and services is published at regional level for 14 oblast, Almaty and Astana. Special CPIs for low, medium and high income groups of households are also published. The indices are available from various publications and through the webpage of the ARKS.

Assessment:

CPI sub-indices are published at a sufficient level of detail to allow analysis of consumer price inflation.

The CPI is available from the ARKS webpage where it can be found compared to the preceding month, to December previous year, to the same month of previous year, or to the same period (cumulative) of previous year. However, to meet user needs, it should be considered to make long, fixed base time series of the CPI available online.

4.9.2 Other indexes

The ARKS generates a wide range of producer price indices (PPI) which covers products from all types of economic activities - industrial activities and selected energy services; agriculture; construction; transport services and communication. A comprehensive list of these indices can be found in Attachment 11.

The PPI for the industrial sector covers mining, manufacturing, generation and distribution of electric power, gas, and water. Transport and communication is not included. The PPI covers a total of some 700 groups of commodities or services that account for more than 80 percent of the production. The survey coverage of activities within each main industrial group is also more than 80 percent. On a geographical basis, the PPI covers 14 oblasts, 3 large cities, Almaty and Astana. An input PPI is compiled for selected intermediate products.

The producer price indices for agricultural products and for construction (for materials and labour input) are built separately, based on the same methodology used to build the main PPI. Moreover, separate producer price indices are also compiled for transport and communication services rendered to public and private entities. The ARKS also compiles import and export price indices, excluding services, and a special PPI for the forestry sector.

Price data for the PPIs are collected from purposive samples of enterprises that are considered as price-setting leaders, to produce the products on a stable basis, to provide regional representation, and account for a large share of the sector's production.

The ARKS produces a housing price index at the regional/oblast level. A special price survey on market prices of representative housing is conducted twice a year. The plan is to further develop the index using suitable weights for different types of housing units.

Assessment:

A large number of various producer price indices is compiled. In order to investigate the possibilities to streamline the production processes and reduce the burden on respondents, the system of producer price indices might be reviewed and evaluated and balanced against user needs.

The PPI is available from the ARKS webpage where it can be found compared to the preceding month, to the same month of previous year, or to December previous year. It should be considered, however, to make long, fixed base time series of the PPI available online.

4.10 External Trade statistics

Until 2003, the ARKS was responsible for producing external trade statistics on goods. This function was transferred to the Customs Control Committee of the Ministry of Finance on 1 January 2004 (Decision of the Government of the Republic of Kazakhstan No. 126 of 3 February 2004). The National Bank of Kazakhstan is responsible for statistics on external trade in services.

Compilation of merchandise statistics is in line with the recommendations of the UN ITS and the IMF Balance of Payment Statistics Manual. The data are based on customs cargo declarations. Exports and imports are recorded using the "Commodity Nomenclature for Foreign Economic Activity of CIS Countries" classification system (TN VED CIS), which was developed on the basis of the six-figure Harmonized Commodity Description and Coding System (HS) and the Combined Tariff and Statistical Nomenclature of the European Union (CN EU). This classification is currently being updated; the new version will be adopted in 2008.

Data collected are value of imports and exports in US dollars and quantities in mass units and supplementary units and by country of origin/destination. Information is also collected on the types of transactions and mode of transport. Imports are classified by country of origin and exports by country of consignment. Customs data are processed automatically in a nationally developed computerized system.

As reported in the 2003 Global Assessment, the transfer of responsibilities from the ARKS to the Customs Control Agency meant that processing of all forms and the production of official trade in goods statistics would be centralized with the Customs. However, user agencies including the ARKS will be provided with data in electronic format, in accordance to an agreement between the agencies. According to the plans, the Customs agency will have a database with data on external trade that covers both the needs of the Customs agency and the ARKS. As of the current mission, the 'turnover' has been completed.

The ARKS continues to participate in the work of improving the country's external trade statistics in goods. The Agency is a member of an interdepartmental working group that is working on implementing the so-called "mirror statistics approach" for the data on foreign trade with the countries-trading partners of Kazakhstan and on devising measures to eliminate discrepancies in the figures. Data exchange agreements for mirror statistics currently existing between Kazakhstan and Kyrgyzstan, Uzbekistan, Azerbaijan, Belarus, Russia, Ukraine and China.

For balance of payments purposes, the customs statistics are adjusted by the Kazakhstan National Bank. The main coverage adjustment relates to "shuttle trade" or to informal exports in transit and imports of goods carried out by individuals. The mission was apprised of measures being taken by the Customs agency to better capture shuttle trade such as the use of IT technologies and through better administrative procedures by cooperation with border countries.

Assessment:

[*Need updates on the following recommendations from the 2003 assessment: - M.G.*]

In 2000 an IMF Fiscal Affairs Department mission recommended customs reform to correct undervaluation of imports and underreporting of both export and import

volumes. Export and import volumes continue to be underreported by unknown amounts, since customs reform is in process.

Concerning the statistics on external trade in services, which is the responsibility of the National Bank, there is a need to develop a national methodology that meets the needs of National Accounts and Balance of Payments. This methodology concerns all kinds of external activities in services including transfers of money by persons leaving or entering Kazakhstan.

4.11 Government finance and public debt statistics

Government finance statistics is produced by the Ministry of Finance. The methodology for compiling these data is broadly consistent with the analytical framework set out in the IMF's Manual on Government Finance Statistics (GFSM) 1986. Concepts, definitions, and classification structures used in compiling these data follow in general the corresponding provisions of the GFSM, except that repayment of loans is included in receipts along with revenues and official transfers received, rather than being netted against lending.

The statistics are presented following the Uniform Budget Classification, a regulatory legal document which sets out the grouping of receipts of the budget and expenditures from the budget by functional, departmental and economic characteristics. The classification is broadly consistent with the GFSM 1986.

Data on government finance are based on accounting records of actual transactions which are kept by the Treasury Committee of the Ministry. The data on investment projects completed with the use of external government loans correspond to the data of monthly reports on receipt and disbursement of funds of external government loans submitted to the Ministry by the agencies implementing these investment projects. Reports on the stock of credit indebtedness are based on analytical accounting by the government agency as of the reporting date. Data on the operations of general government sector represent a compilation of the

Republican and local budgets not taking into account the mutually offsetting operations between them.

Central government debt is defined as the sum of drawn and outstanding government loans and debt obligations assigned to the government debt by legislative acts as of a particular date. Government debt is defined as a component of the public debt on government loans and other obligations of the government received (drawn) and outstanding as of a defined date. The definition is broadly consistent with the Manual on Government Finance Statistics 1986 (GFSM 1986).

Data are compiled on the basis of: statements of creditor accounts on drawing of loan funds; creditor confirmations of the receipt of payments for servicing and repayment of loans, reports of servicing banks (agent banks); payment document of a domestic creditor on the drawing of funds by the borrower; and statements of the foreign exchange account of the Ministry of Finance of the Republic of Kazakhstan, opened for the purpose of repayment and servicing of foreign debt of the government, issued by the National Bank of the Republic of Kazakhstan.

Data on the government debt are compiled quarterly by using an automated system of foreign debt management. The data are based on the actual bookkeeping entries of the Department of Public Debt and Lending. The data are compiled using statements on the accounts of creditors on the drawing of funds out of loan resources, confirmations from creditors that they have received payments toward debt service and repayment, and reports of servicing banks (agent banks).

Assessment:

4.12 Monetary and financial statistics

According to article 8 of the Law of the Republic of Kazakhstan “About the National Bank” the National Bank, upon the agreement with authorized body

(ARKS) sets the list, forms, release calendar for the statistical report on the balance of payment, external debt, statistics on money, credit, and finance, collects the relevant data, estimates the money-and-credit and financial statistics of the country, summarizes balance of payments, international investment position, and estimates the gross external debt of the country. The authorities (ARKS and the Ministry of Finance) have official agreements on information exchange.

Monetary statistics are compiled in accordance with Article 61 of the Law on the Republic of Kazakhstan National Bank (1995), and Article 54 of the Law on Banks and Banking in the Republic of Kazakhstan stating "Banks shall be required to furnish the National Bank of Kazakhstan upon its request with information concerning the banks' funds, including funds located outside the Republic of Kazakhstan, the amount of deposits accepted, credits extended and banking transactions executed or under way, and with other information."

Article 8 of the Law on the Republic of Kazakhstan's National Bank requires the National Bank of Kazakhstan (NBK) to draw-up and regularly publish the composite balance sheet of banks of the Republic of Kazakhstan and the National Bank balance sheet, and Article 67 requires the National bank to publish, amongst other things, information on credit and money in circulation.

Monetary and financial statistics are compiled by the National Bank of Kazakhstan in accordance with the analytical structure of the IMF's Manual on Monetary and Financial Statistics (MMFS). The following key aggregates are used:

- Monetary aggregates consisting of currency in circulation M0, narrow money M1, broad money M2, and money supply M3.
- Domestic credit disaggregated by sector—claims on central government, local and regional governments, nonbank financial institutions, public and private nonfinancial institutions, NPISHs, households.

- Net foreign assets of the banking system broken down by— gross claims on nonresidents in freely convertible currency (with a detailed breakdown by instruments), gross liabilities to nonresidents in freely convertible currency (with a detailed breakdown by instruments), and other net foreign assets in nonconvertible currency (with a breakdown by gross claims and liabilities).

A monetary survey is compiled monthly on the basis of balance sheet data from the NBK and commercial banks. They are called second-tier banks according to the legislation of the Republic of Kazakhstan.

Banks submit their balance sheets in electronic form, which are then entered into the NBK's "Statistics" Automated Information System ("Statistics" AIS). These are subject to automated cross-checking against additional information on credits and deposits. The "Statistics" system automatically produces an error report indicating any inconsistencies in the data submitted by banks. Agency on regulation and supervision of the financial market and the financial organizations is responsible for compiling a summary balance sheet for second-tier banks. The NBK obtains balance sheet data and groups accounts for the monetary survey and for calculating monetary aggregates.

Year-end data are submitted twice. Final data as of the end of December for the NBK and commercial banks (including closing turnovers) are compiled later in connection with the established regulations for auditing year-end data. Preliminary data as of the end of December are used to compile the survey of the NBK and commercial banks until the final data for the end of December are ready. The monthly balance sheets serve as the basis for compilation of the monetary survey of the NBK and second-tier banks.

Assessment:

The IMF has assisted in the development of Monetary and Financial Statistics in Kazakhstan; bank staff actively exchange information and work with experts on methodological questions on the money-and-credit statistics, statistics on the balance of payments, and external debt. Moreover, the Bank cooperates with the IMF missions related to the maintenance of standards and codex (ROSC), the current situation in the bank system of Kazakhstan, money-and-credit policy, stability in financial sector, external debts of the banks, etc. Continued cooperation will ensure the quality of monetary and financial statistics.

4.13 Balance of payment statistics

Balance of Payment (BoP) statistics were produced by the ARKS during the period 1994 - 2000. From 2001 BoP statistics is produced by the National Bank (NBK).

The basic structure of the Balance of Payments (BOP) of Kazakhstan consists of:

- Current account:-imports and exports of goods, services, income, and current transfers;
- Capital account: capital transfers and acquisition/disposal of nonproduced, nonfinancial assets;
- Financial account: direct investment in Kazakhstan and abroad, assets and liabilities for portfolio investment, financial derivatives and other investment, and changes of international reserve assets; and
- Errors and omissions.

The BoP is compiled in accordance with the IMF's Balance of Payments Manual 5 (BPM5). There are no major deviations from the concepts and classifications of the BPM5, except the residency of the branches of foreign construction and drilling companies as well as of local branch of a bank located abroad which are considered as a nonresident entity, according to the law on currency regulation and currency control. This difference in definitions complicates the classification of the operations they perform.

The National Bank utilizes the electronic forms of bookkeeping on the balance of payments from the banks of the second level via protected communication channels, which guarantee the safety and confidentiality of information. A detailed description of the source data is documented in the IMF-DSBB web site. Aside from the foreign trade statistics and various administrative data sources, the NBK collects data through quarterly and annual surveys of enterprises as well as special surveys.

The revision of BoP indicators is done by the NBK twice a year, in October and April. Revisions are made for the two preceding years, and full revised balance of payments series are published for these two years. Full explanations of reasons behind significant revisions are published with the revised data in The Balance of Payments and External Debt of the Republic of Kazakhstan.

Major changes in methodology are announced to users at the time the changes are introduced.

Assessment:

4.14 Statistics on the Environment

The Agency of Statistics produces five kinds of statistics on the environment. They are

- State of the environment: water, air and land;
- Statistics on the use of toxic substances;
- Expenditure on environmental services;
- Statistics on waste;
- A Summary publication on the environmental situation in Kazakhstan.

The expenditure statistics on environmental services is produced separately for enterprises and for munincipalities. The summary material on the environmental situation in Kazakhstan is also available in a form of a database.

Assessment:

Attachments

Attachment 1

How Should a Modern National System of Official Statistics Look Like?

Attachment 2

Fundamental Principles of Official Statistics

Attachment 3

The Law on State Statistics of the Republic of Kazakhstan

Attachment 4

The General Structure of the Agency of the Republic of Kazakhstan on Statistics as of 1 January 2006

Attachment 5

Organizational Chart of the Agency of the Republic of Kazakhstan on Statistics as of 30 November 2007

Attachment 6

Magnitude of Statistical Activities of other Agencies and Ministries than the ARKS in the Statistical System of Kazakhstan as of 1 January 2006

Attachment 7

Draft for a Strategic Plan of Development, Agency on Statistics, Republic of Kazakhstan for 2007 – 2012

Attachment 8

Draft for a Strategic Plan of Development, Agency on Statistics, Republic of Kazakhstan for 2007 – 2012

Attachment 9

Dissemination practices – Case Statistical Yearbook of Kazakhstan 2007

Attachment 10

Response to Questions, based on the Self Assessment Questionnaire of the European Statistical System by the Deputy Manager on Quality Issues of ARKS in October 2007

Attachment 11

Price indexes, produced by ARKS

Attachment 1

How Should a Modern National System of Official Statistics Look Like?

- The relationship between international principles on systems of official statistics and national statistical legislation

1. The standards for national systems of official statistics in the UNECE region are given as a set of principles in the Fundamental Principles of Official Statistics, adopted by the UN Economic Commission of Europe in 1992. These principles were taken up and made more operational in certain parts for a different group of countries through the two standards of the IMF (SDDS and GDDS), and more recently through the EU Code of Practice.
2. The aim of this Attachment is to set out in a condensed form what have turned out to be good practices in implementing the core content of these principles. They follow the structure of the UN list, and include the IMF SDDS and the EU lists under the appropriate headings, however with two exceptions: (a) since SDDS covers only macro-economic indicators, some of the requirements that are specific to this domain have not been explicitly included here. (b) Also the EU principle on the adequacy of resources has not been included, since adequacy can only be assessed against a specific list of binding output requirements such as the EU acquis communautaire or the IMF SDDS. There is no such a list of binding requirements for either all UNECE or even all UN Member States.
3. In most countries, there is more than one producer of official statistics at the national level. The degree of centralization varies. In some countries, notably those that have a federal structure, producers of official statistics exist also at regional or even municipal levels. This second dimension of the organisational

structure in a national system of official statistics is not considered here because of its lack of relevance for the specific country context.

4. The lists of principles mentioned above address good ethical and professional standards that have to be observed by all producers of official statistics, and not only the National Statistical Office. These principles have to be enshrined in and made operational through legislation. Legislative practices vary between countries, but an umbrella legal text for all activities of official statistics enacted at the level of a law, i.e. by the National Parliament, has proven to be the most effective and transparent way of providing a legal basis for official statistics.
5. According to countries' traditions, Statistical Laws vary in the degree of details addressed at the level of law and the allocation of issues between primary and lower-level legislation. Other laws may also contain articles on statistics, but it is essential to ensure they do not contradict the provisions of the Statistical Law. Because of their substantial resource and organizational implications, population and agricultural censuses are frequently based on special laws. But as major visible operations of official statistics, censuses should be strictly in line with the fundamental principles of official statistics, notably concerning confidentiality and non-statistical use of confidential data.
6. All national administrations have at least one major department for which the production and dissemination of official statistics is the core or even exclusive task. For simplicity, this department is called here National Statistical Office (NSO).[8] The reasons for creating a NSO with the core task of statistics are twofold: avoiding conflicts of interests, and economies of scale (especially in small countries). For other producers than the NSO, official statistics is one of several tasks, not the most important.
7. The purpose of official statistics is to produce and disseminate authoritative results designed to reliably reflect economically and socially relevant phenomena of a complex and dynamic reality in a given country. These results have to be available to all users, i.e. they have to be public. The function of these results is in a variety of uses for monitoring developments in a country

[8] A small minority of countries have more than one producer at national level for which the production of official statistics is the key task; some of the good practices given under principle 8 (co-ordination) would have to be modified in such a context, but not concerning the other principles

and its parts, so as to provide basic information for decision-making, evaluations and assessments at all levels, but notably by governments, and for serving as important elements for accountability of public bodies based on achievements.

8. While it is certainly true that not everything that is relevant can be expressed in quantitative terms, it is also true that the situation and development of a complex and dynamic society cannot be described, or compared with other societies, without official statistics being a key component. Today's world is characterized by many developments such as globalization, new forms of household composition, unregistered migration, and economic transactions the content of which is entirely non-material. These phenomena make life for national statisticians more challenging (sometimes even to maintain the present or past reliability of statistics may be a challenge in view of certain developments); also therefore, it is crucial to ensure that the system has both a good institutional framework and the necessary resources, notably human resources, to be able to meet new challenges and maintain and strengthen the trust of users.

The production process in official statistics

9. The production of official statistics is a complex chain of operations. It starts with the investigations about information needs of various users, their filtering and subsequent bundling in such a way that one activity of official statistics can generate results that fulfil a great number of user needs and are not targeted exclusively to one user group. This phase is normally not carried out every year in a systematic and comprehensive way, but only when a multi-year programme is set up; annual adjustments are possible, but mostly only partial. Information needs have to be investigated in terms of results or outputs; the translation of these needs into the best way of collecting data from respondents, including the arbitrage between the secondary use of administrative or similar data collected outside the statistical system, and specific data collection for the purpose of official statistics though statistical surveys and censuses, is the core task of the statistical system in this programming phase. The programming phase is

iterative, since it involves balancing of needs with available resources and priority setting.

10. Once the statistical objects and the sources for obtaining information for them has been fixed, and the information needs to be covered, allocated to them, each statistical survey, and each secondary use of administrative or similar data, has to be designed/redesigned, tested, and the tools and resources necessary for full implementation prepared and adjusted if necessary following the test. The design phase also includes the definition of the results to be published as official. In the case of statistical surveys, the data collection phase is a crucial part in the design of operations that are under the responsibility of a statistical producer; in the case of administrative or similar data, this phase in outside the statistical system, with statisticians hopefully being consulted in the process of ~~before~~ decisions ~~are~~ made about their structure and content. For statistical surveys, the data collection phase itself is a key phase in terms of management and use of resources of the NSO.
11. Once the data have either been collected through statistical surveys, or been handed over to the NSO or another statistical producer in the case of administrative or similar data, the processing phase includes the data entry, control, coding, editing and in some cases imputing of the unit-level data, with the possibility of matching with other sources, and the aggregation of unit-level data to the pre-defined official results (including the necessary quality parameters). This phase is particularly IT-dependent; some of the processing may even be merged with the data collection phase if CATI or similar computer aided techniques, or electronic reporting, are used. The results and the quality parameters have to be analysed carefully before being cleared for the next phase; this may involve integration or at least systematic comparisons with other sources about the same phenomenon at the aggregate level.
12. The phase of dissemination is more than the release of the pre-defined results in various forms (press releases with comments; hard-copy publications; electronic dissemination on the internet and in other various forms); it may include subsequent publications with more detail or analytical content, or for specific user groups, and it includes the generation of additional results for specific user

requests (statistical services). For these purposes, the final set of unit-level or micro-data have to be stored and well documented for a considerable period.

13. As a last phase, the whole process has to be evaluated in order to identify and address possible improvements in efficiency and quality, which are then either fed into the next wave or considered at the next systematic programming exercise.

14. In addition to the production processes, a statistical system needs a number of support processes of cross-cutting character. They address resources and the statistical infrastructure. No statistical system can work without well motivated and professional staff, and without a carefully designed IT infrastructure targeted to the tasks of official statistics (which are different in focus from the type of transaction-oriented tasks normally met in the rest of the public and in the private sector, notably with respect to the complexity of metadata). Examples for processes that address elements of the statistical infrastructure, and do not completely follow the pattern outlined above for production processes, are statistical registers and international cooperation.

Trust of users

15. Since users cannot replicate easily this complex chain of operations themselves, they have to trust the results that are published as authoritative and unbiased. But trust in the results has its root in the confidence that producers are professionals, and that the institutional framework in which they operate allows them to act professionally in all situations, even when results of official statistics are bad news for some actors in the political scene. This is the root of principles like professional independence (Principle 2) and impartiality (Principle 1b). Decisions on the choice of sources, the methods to be used for collecting data and compiling results for official statistics, the selection of results to be disseminated as official, and all decisions about timing and forms of dissemination, have to be strictly internal to the statistical system so as to be free from any interference that could bias such decisions in order to distort or hide results in a certain way. As a corollary to professional independence, all the methods used have to be fully transparent (Principle 3). Relying on

recognized international standards and good practices in national statistics across the globe (Principle 9) is an important way to ensure trust and be recognized as professional.

16. The various producers of official statistics are independent in the type of decisions outlined in the previous paragraph, which can be characterized as the "how to do" part. In most countries, decisions on the "what" part of official statistics are prepared by the statistical system, takes place usually in an intensive dialogue with the various users, but the final decision is normally with an authority outside the statistical system[9]. In many countries, the government decides on multi-annual and/or annual Statistical Programmes (and the resources allocated to this purpose) as a kind of mandate for the statistical system by which its performance will be judged. Such programmes, if they have legal character, also serve the purpose of legitimacy for producers to collect data from primary respondents (individual, households, companies) through surveys for exclusively statistical purposes, with a response obligation that can be sanctioned, if violated.

17. Professional independence addresses the relationship between producers on one side and all stakeholders (users, respondents, funders, taxpayers) that are outside the statistical system on the other. This principle does not address the relationship between producers, i.e. they are not independent from each other, because in this case they would not form a system. A system composed of many producers has to be coordinated and managed. In most countries, the task of leader and coordinator of the system is with the director or president of the NSO, and for this reason he/she is frequently referred to as chief statistician. These functions, and the instruments that are available to the chief statisticians in this respect, have to have a legal basis in the Statistical Law. While he/she may be assisted in this task by various bodies where producers interact, the chief statistician is the final decision-maker on professional issues not only for the NSO, but for the whole system. For this reason, he/she has to have the authority to declare certain standards and rules binding for the whole statistical system.

[9] In a small number of countries with a centralized statistical system, the NSO receives a global budget, so that in these countries even the "what" part is a decision purely internal to the statistical system.

18. The status and personality of the chief statistician is a major determining factor for the trust of users and respondents, and notably the media. He/she stands for professionalism and integrity, and because of professional independence, he/she bears the ultimate responsibility for producing and disseminating good quality and relevant results of official statistics as a public good in an efficient way and with due regard to the additional response burden caused by the activities of official statistics.

The individual principles of official statistics

19. The UN Principles are formulated in a flexible way, in order to leave countries to decide on the most suitable way to implement each of the principles in a particular national setting. However, this openness concerning the way of implementation should not be interpreted as the core substance of each of the principles being left to the discretion of a country in the UNECE region[10] whether to be implemented at all. Furthermore, the way of implementation chosen in a given country should cover the whole system of official statistics, and not only selected areas or be limited to the NSO portfolio of activities.
20. Sometimes the argument is advanced that the degree of implementation of the principles depends on availability of resources. Concerning the level of resources, and with the exception of the last principle on international cooperation, this is not, however, the case. The principle on relevance does not e.g. imply that all statistics concerned to be relevant have to be produced, but that those that can be produced with the available resources should be assessed against relevance, and they should only be produced if a sufficient quality of results can be obtained and the dissemination to all users be ensured. Staff, facilities, computing resources and financing have to be commensurate with Statistical Programmes, and if the resource side cannot be upgraded, the portfolio of activities has to be scaled down.

[10] Contrary to the world level, in the UNECE the Fundamental Principles were not only adopted by the Statistical Committee (Conference of European Statisticians), but by the highest body of UNECE, in which the governments are represented, in 1992. In doing so, these governments have accepted officially that their systems of official statistics should be (or be brought) in line with these principles.

21. The great majority of the Principles address issues of the institutional framework of official statistics and the integrity of producers and their staff, and these considerations do not depend on the level of resources, nor can material incentives be a main incentive for the actors in the system. It is clear that whatever the number of staff involved in official statistics, their integrity and professionalism are a key factor, and this will have to be reflected to a certain extent in the salaries and other working conditions. Repeated training of staff, clear manuals on how to interpret each principle, which have to be well known to the staff, as well as mechanisms within the statistical system to decide on borderline cases, or more broadly speaking a culture of professional excellence, are required in addition to the legal basis per se.
22. As a corollary of the above, the core content of each Principle is not negotiable against resources. There might be occasions in which a government department or some other institution offers financing or co-financing of a survey in a particular area, on the condition that one or several of the principles be waived. If such offers are made, producers of official statistics should first try to convince the client of the common interest (in terms of authoritativeness of results) in respecting all principles, and if this is not successful, decline to be involved since such an activity would fall outside the framework of official statistics.
23. Within the list of the 10 UN Fundamental Principles, the first Principle de facto combines three principles that are better handled separately when looking at their impact. This subdivision is introduced through letters in the form of Principles 1a, 1b and 1c. Principles 2 to 10 remain undivided.

Principle 1a: Relevance

- Production of official statistics in a given area is legitimate if justified by needs for:
    - Accountability of governments to the public (basic information in each area; citizen's right to information)

- Informed decision-making/negotiations of governments (central, regional, local) and of other State bodies such as Central Banks, Parliaments etc.
- Binding international obligations/commitments (e.g. IMF SDDS or GDDS)
- Public (via media and other information tools)
- Governments/state bodies
- Economic operators (national and international)
- Research community
- Educational institutions
- NGOs
- International organisations

❖ Core tasks of NSOs (in a centralised or decentralised system):

- Investigating user needs (information about what, including periodicity, major break-downs, notably regional, accuracy and timeliness), and filtering for relevance and feasibility ("what" part)
- Transforming relevant user needs into measurable concepts (for data collection and dissemination), and bundling them into statistical activities in an efficient way so that one activity can serve many user needs at the same time ("how" part)
- Based on a permanent system on monitoring the use of resources, determine the resources necessary for the various activities
- For ensuring relevance over time, permanent networks with representatives of all types of users must be set up and nurtured by the NSO

❖ This task has to be carried out in a proactive way, given that

- Relevance for a given user can change rapidly
- Producing new types of statistics is a long process, therefore anticipation of key user needs is essential ("antenna function")
- Some users may be at the beginning of using statistics for decision-making and can therefore not easily formulate their information needs

Principle 1b: Impartiality

- Producers of official statistics (not only NSOs, but also statistical departments of ministries/Central Bank) have to be free of conflicts of interest
- Once checked for quality, results have to be disseminated irrespective of whether they are "good" or "bad" news for some users
- Producers of official statistics have to be perceived by all users as acting impartially, so that all users can have trust in the results as unbiased representation of relevant aspects of the society
- Even if users' appreciation of results, and their views on possible policy implications, can differ widely, all should accept the results, published by the NSO, as authoritative
- Activities that could create conflicts of interests:
    - Administrative decisions on individual units (businesses, individuals) such as permits, taxes etc. Decisions to include a unit in an administrative register that may be used for such purposes is equivalent
    - Advocating specific policy measures
    - Public relations for the government/country
    - Involvement in political decisions (preparation of decisions without advocacy is o.k.)
    - Data collection for administrative use by another government unit
    - Data collection for non-official statistics if one or more of the Principles is not respected
- Activities outside official statistics that do not create conflicts of interest:
    - Tailor-made statistical tables from existing data or analysis at the request of a specific user (against payment)
    - Research, analytical and forecasting activities, providing that confidentiality rules are not violated, see Principle 6 (see below)
    - Advice on methodological issues for surveys outside official statistics
    - For NSOs as official producers of maps and similar products: combination with responsibility (what does this mean??) for cartography

- For NSO or its president: responsibility/supervision for compiling results of elections/votes (but not for election registers)
- Advise on ICT issues to other government departments on ICT issues in which statistical producers are especially experienced/advanced
- Advice on questionnaire design for other government units and organizations for data collection
- Advice on statistical classifications and their usage, as well as on coding certain characteristics insofar as statistical classifications are used
- Advice on information retrieval, making data meaningful, preparing good visual presentations of statistical information materials
- For NSO: ICT services for other parts of the government if this does not undermine the NSO's control of its own ICT
- The advisory functions of the NSO may even include training activities and services, making a broader use of the know-how, accumulated in the NSO

❖ Impartiality obliges producers, among other, to:

- Disseminate impartially (see 1c)
- Use factual and stable terminology for the disseminated statistics
- Use understandable and non-offensive terminology in questionnaires and materials published
- Make sure that all units of a target population have a non-zero probability to be included in a survey, and that all regions and minority groups are well covered

Principle 1c: Dissemination

❖ For results of official statistics, the responsible producer guarantees the conceptual adequacy of the definitions and compilation methods used, and the quality of the data in terms of accuracy and comparability

❖ Statistics are presented in a way that facilitates proper interpretation and meaningful comparisons. For dissemination to the public and to non-expert

users, explanatory comments (what is the significance), and when substantiated facts allow also analytical comments (why), should be added

- ❖ Results of official statistics have to be consistent or reconcilable over a reasonable period of time so as to allow sound comparisons over different time intervals
    - Revisions that affect comparability over time are announced in advance and follow a transparent schedule
    - Preliminary, final, and revised results are clearly identified
- ❖ Impartiality in dissemination of results of official statistics implies:
    - All results of official statistics have to be publicly accessible; there are no results characterised as official which are for the exclusive use of governments
    - Statistical producers must be absolutely free from government interference on what and how they disseminate (no clearance procedure which involves non-statistical bodies)
    - Dissemination must be simultaneous to all users who have access to the web; no privilege for governments or media to see results before they are published on the web.[11]
    - Official statistics are released according to a pre-announced schedule
- ❖ This principle also includes the obligation to store results, and the underlying microdata sets, for later statistical use, and for producing tailor-made statistical services on request (for a period defined by law).
- ❖ All producers of official statistics have to indicate contact points to which users can turn for receiving and being provided with statistical services and publications ~~being served~~
- ❖ Impartiality of comments is not the same as being free from value judgments; statements like ”improved” or “progress” (or the opposite) are important for non-expert users to understand the meaning of statistical results and can be used by statistical producers in their comments if they are in line with generally accepted objectives (e.g. those laid down in the constitution)

[11] In some countries, certain key users in the government sector receive an advance notice of the release a few hours ahead of the release time, under strict embargo, in order to be able to prepare their comments. This

- Impartiality in dissemination strictly excludes any policy-prescriptive comments (what should the government or another actor do, change or not do). This includes comments made at press conferences or in interviews with media
- Products of the NSO and of other producers have to be clearly identifiable as official statistics. Comments made by somebody from outside the statistical system have to be kept strictly separate from comments made by statistical producers
- Impartiality of dissemination does not exclude differentiated pricing for different users, but prices should be set at the maximum to cover special service production and dissemination costs. It is also in line with this principle that certain value-added products above the official results and the initial releases can be priced in both electronic and other forms, especially if they are targeted to specific user groups
- In addition, producers of official statistics have to have the capacity to produce tailor-made tables on request of specific users that use different definitions from those of the results of official statistics. Such services should have a price equal to the additional cost of this service. The producer guarantees the quality of the data used for this processing, but not the adequacy of the concepts used in defining the aggregates insofar they deviate from those used officially (user responsibility)
- Tailor-made tables for governmental users should be made publicly accessible, but with a clearly different status from results of official statistics
- User satisfaction surveys are undertaken periodically

Principle 2: Professional Independence

- The "how" part of statistical activities has to focus exclusively at obtaining the most reliable representation of the phenomenon of the real world with the given resources
- If it can be assessed ex-ante that a certain level of quality (especially in terms of coverage, accuracy and timeliness) is not attainable (for resource or other

practice is not encouraged. If it is still used, the beneficiaries of such advance notice have to be publicly identified.

reasons), the planned statistical activity should be postponed until the conditions for a reasonable quality level in line with official statistics are met

- ❖ Minimal accuracy and coverage conditions have to be specified for results of official statistics to be publishable
- ❖ Quality guidelines are documented and well known to staff
- ❖ Scientific methods, international standards, and empirically established good practices are the best guide for decisions on sound methods and techniques of collection, processing and dissemination, together with efficiency considerations and burden to respondents
- ❖ Users should be consulted, but the decisions should be made by statistical bodies (possible need for adoption by government in the case of lists of statistical surveys due to the need for legitimacy and response burden to respondents)
- ❖ For the NSO, professional independence needs to be translated into institutional safeguards for the institution, and especially for the director or president, at the level of the law, which defines the "arm-length" relationship to the government. The post of the chief statisticians should:
    - Have a term of office fixed in law (term that may be renewable) which is respected independently of changes in the government; for underlining professional independence it is desirable that this term is different from the term of the government
    - Have a legal protection against dismissal during the term
    - Be selected following a published vacancy with professional requirements for applicants
    - Not be a regular member of the government, but have senior level access to ministers and other policy authorities
    - Have a designated and stable line of reporting to the government
    - Not be part of a regular system of mobility in the public administration where such a system may be otherwise applicable at this level.
- ❖ For other producers, the minimum institutional safeguard is to create a statistical department for the statistical tasks, with no other tasks in the same department that could create conflicts of interest (see 1b). Only this department

is part of the statistical system. The chief statistician should be involved in the selection of the heads of such departments with ministries/Central Bank

Principle 3: Transparency

- As a corollary of professional independence, statistical producers have to be:
  - Fully transparent for all users about their methods (metadata publicly accessible)
  - Fully accountable to the public for their decisions they take independently
  - Fully responsible for the results they disseminate (unless another producer is quoted as a source)
  - Fully transparent about the quality of the results they publish: they have to publish quality parameters (of surveys and results), set minimum levels of precision/bias and suppress results that do not meet these targets, and warn users of certain interpretations and false conclusions (statistical artefacts, unique events)
  - Fully transparent about the allocation of resources to the various statistical activities and outputs
  - Correct errors in results of official statistics (other than changes between provisional and final results, or those introduced through pre-announced revisions) at the earliest possible date, and in an open and transparent way
- Producers of official statistics have to have a system of quality management as integral part of their management culture, covering both processes and (intermediate and final) results for all activities
- In order to be able to assess quality and limits of interpretations, statistical producers have to be able to engage regularly in analytical activities and to have the necessary know-how about analytical techniques
- Statistics is not simply recording and summing up; it is about estimation of a real phenomenon. Even when a data collection is designed to be exhaustive, checking and editing of indications from respondents, and treatment of non-

response, are always necessary. In this sense, all results of official statistics are estimates.

- ❖ This distinguishes official statistics from activity reporting in the public sector, although the latter activity uses and disseminates many data. Not every figure reported by a public body is official statistics, only those produced and disseminated in full compliance with the principles

Principle 4: Right to react to erroneous interpretations and misuse of statistics

- ❖ This is a right, not an obligation. To be used sparsely, but effectively, e.g.
  - When important media in their comments do not observe explicit limits of interpretations the producer indicated in the comments
  - When documents for decision-making by governments/Parliaments contain inappropriate or doubtful statistics where better data would exist, or when announced limits of use are disregarded [12]
- ❖ As with all dissemination itself, reactions from statistical producers are disseminated without prior clearance by a policy part of the government
- ❖ How to deal with and minimise criticism addressed to statistical producers, notably from governments, about results released?
  - Make sure that you have assessed the quality of the results prior to release (e.g. by comparison to other sources), and investigated whether outliers are real or fictive
  - Make sure that you can explain "strange" movements or unexpected results, and you are able to distinguish between statistical artefacts, influence of unique events, and changes in underlying phenomena
  - If criticised, refer to the published methodology and to international standards you use

[12] As an exception to the above, political bodies have the right to fix rules of allocations of funds or seats based on "indicators" which may not be in line with the concepts used by statisticians for measuring a given phenomenon. Such indicators should be calculated by NSOs as a tailor-made statistical service (see principle 1c), but not be disseminated in a way that they are perceived as a statistical substitute for the best estimate disseminated by statistical producers as official results. The same considerations are applicable for composite indices used for similar purposes where different elements are combined with arbitrary (non-observed) weights

- Do not enter into discussion about other figures advocated by the critics, the methodology of which is not transparent
- For key indicators such as GDP, CPI and unemployment, have an independent audit (international peers or experts from academia) from time to time
- Do not hesitate to ask the opinion of peers from abroad, and to publish their findings and recommendations

Principle 5: Data sources for official statistics

- Official Statistics has to use three types of sources:
  - Statistical surveys: data collection from individuals, households, corporate and unincorporated businesses, and public entities outside the own government structure, for the exclusive purpose of statistics (most of which official statistics)
  - Administrative records: secondary use of data collected primarily for administrative purposes about individuals or private businesses by other parts of the same government structure
  - Environment and territorial observation and monitoring data collected by specialised government agencies with technical devices (e.g. remote sensing with satellites)
- For statistical surveys, the Statistical Law applies to all phases of the statistical activity; for the other two sources, primary data collection has to be based on other laws, and the statistical legislation becomes only applicable once the data are handed over to a producer of official statistics (NSO or statistical department of a ministry/Central Bank). The Statistical Law must be explicit in giving the right at least to the NSO to collect data from respondents through statistical surveys, with the possibility to impose sanctions if respondents do no provide the required information.
- Decisions to be made for each statistical survey:
  - Exhaustive vs. sample surveys (mixed forms possible)
  - Sampling frame and design; grossing-up method

- Mail, face to face interview, telephone interviews, internet (mixed forms possible)
- Compulsory participation of the respondent vs. right to decline participation (mixed forms possible)
- Recall and follow-up policy for non-response, depending on type of survey (including strategy for sanctions)
- Methods for detecting and correcting errors, editing, coding etc.
- Matching with other sources at the level of the statistical unit (when applicable)
- The results of a the collection phase of a statistical survey should be a well documented final microdata set from which official results can be generated

❖ Response burden has to be assessed in advance and taken into account:

- all new surveys have to be tested first (pilots)
- response burden should be spread over survey populations through appropriate sampling techniques
- all respondents have to be informed about the purpose and legal basis of the survey, and especially about the confidentiality measures
- forms and questions have to be understandable, non-intrusive, and make answers possible for him/her from memory or from existing material (businesses)
- first reminders have to be proportionate
- response rates, and response burden for individual economic units, have to be closely monitored

❖ The statistical office must have the legal right to receive, for its tasks, regularly and on an ad hoc basis, microdata sets from other ministries and public entities taken from their administrative sources. This does not mean that direct identifiers have to be included in all cases, but the possibility should not be entirely excluded.

- It is not necessary that, in addition to the enabling provision in the Statistical Law, the legal basis for the primary data collection for a given administrative purpose explicitly foresees the additional use for

statistics or the transmission of individual data to a statistical producer such as the NSO.

- Statistical producers have the right to alter the administrative data received from other ministries and state bodies to improve compatibility with statistical definitions and classifications
- Data received in this way should never be given back to the data owner or transferred by the statistical producer to a third party for administrative purposes

❖ NSOs have to avoid considering data sources, and especially surveys, as stove-pipe type of parallel operations, but rather as a system of interrelated operations

❖ Very often, the best estimates are based on a judicious combination of sources, combining the strengths and reducing the weaknesses of each source considered individually

❖ Statistical producers are the only government unit that has the legal right to match data from various sources without an exhaustive list of such sources to be mentioned at the level of the law, provided that the matching takes place strictly within the limits of statistical use (see principle 6)

❖ Statistical registers, especially business register, agricultural register and a register of dwellings, are a cornerstone for the statistical system. They are different from administrative registers because they can be updated through all sources, statistical surveys and censuses included. They have to be in the hands of the NSO and managed for purpose of official statistics only. It is advisable to have explicit articles in the Statistical Law concerning statistical registers

Principle 6: Confidentiality

❖ Statistical confidentiality is aimed at protecting the privacy of individual units - both physical persons and legal units - about which data are collected and processed. It has two components:

- Producers of official statistics use data about protected individual units only for statistical purposes (official statistics in the first place)

- Producers of official statistics do not disclose, either directly or indirectly, characteristics about protected units to any third party in such a way that any user might derive additional information (information not known to the user before) about a protected unit

❖ Exclusively statistical use: use for

- compiling results of official statistics (either directly or indirectly through combination with other sources) by producers of official statistics
- compiling quality parameters that are necessary for managing the processes of official statistics
- tailor-made statistical services carried out by producers of official statistics at the request of a specific users
- analytical results, including modelling and scenario building, carried out by either a producers on their own initiative, a producers at the request of a specific user, or as part of joint ventures between a producer and other stakeholders
- own compilation of aggregates, analytical or statistical parameters by researchers on the basis of microdata from official statistics to which they have obtained access from the responsible producer
- creating and updating statistical registers or similar address lists of respondents in statistical surveys to be carried out as part of official statistics (statistical producers)
- tracking the compliance of individual respondents with the response obligations in statistical surveys

❖ Excluded from statistical use:

- Any decision by a government unit or a court on a specific protected individual unit (even if this decision were to the benefit of the person concerned)
- Any control by a government or related unit of a specific protected unit with respect to the compliance with legal obligations (based on other laws than the statistic or census laws) or with respect to economic performance or other relevant characteristic

- Any use for advocacy actions by government units that are addressed to individual units protected by confidentiality
- Borderline case: use of addresses from statistical registers for statistical surveys outside official statistics (research purposes) or for commercial or marketing purposes by private actors, if foreseen in the statistical legislation

❖ Decisions to be made for the whole statistical system, either in the Statistical Law itself, or through lower-level legislation (data protection law is also relevant):

- Protected units: physical persons, private households, private businesses (whether legal persons or unincorporated enterprises) are to be protected; government units as institutions cannot invoke statistical confidentiality; public enterprises in a competitive market, as well as formally private businesses that receive regular government subsidies are borderline cases
- All variables treated alike, or some considered to be free (e.g. for legal persons), or particularly sensitive (higher degree of protection in the case of persons, e.g. about health, crime, ethnicity). However, so-called "public" characteristics have to be protected by statistical producers if they are modified in the statistical process and deviate from the publicly available figures
- Minimal number of protected units for dissemination of aggregates, including „dominance" rule

❖ For statistical confidentiality, a „third party" is everybody outside the narrow limits of NSO or the statistical department within a ministry. The critical boundary is therefore not between governments and outside, but between official statistics and everything else. For this reason, the units which act as producers of official statistics should be listed, and their number be kept as small as possible

❖ Data collection in statistical surveys: replies of respondents should go back as directly as possible to the statistical producer. No other government agency should be involved as intermediary (the risk is especially high if forms are

routed back via regional administrations unless such units are regional branch offices under the exclusive control of the NSO)

- Data processing: except in the context of statistical registers, identifiers of units should be separated from the context variables by the statistical producer at an as early stage as possible, and either stored separately or destroyed. Filled-in paper and electronic forms with full names should always be destroyed.
- Transmission of confidential data in electronic form between respondents and producers, or between field staff/regional offices/headquarters of the NSO, should be adequately secured against unauthorized access. Use of electronic reporting has to remain optional for respondents
- Data security: microdata sets have to be stored safely, and access limited to those within the NSO who use the data regularly. No direct access from outside the NSO should be possible[13]. For files with identifiers (other than statistical registers), each access has to be documented. Matching processes between different sources at unit level (other than for the regular update of statistical registers) have to follow particularly strict rules, and identifiers have to be removed from matched files
- Data security, update and access regulations for statistical registers have to be worked out carefully in a separate book of rules, notably concerning read and write access (not to be extended to anybody outside the statistical system)
- Dissemination: check all aggregates (results of official statistics and aggregates for tailor-made services) for indirect disclosure, and suppress/merge where necessary (if suppress, think of additional cells)
- Possible exceptions for disclosure of microdata without identifiers to a third party (if law explicitly permits, and following strict protocols):
    - To another producer of official statistics within the same country for its tasks
    - To university or private researchers (incl. outside the country) against signature of a contract, strictly protecting confidentiality
    - To a statistical department of an international or supranational organisation, providing that ~~if~~ there are clear rules in these

organisations for protecting confidentiality, especially against non-statistical use

- As public use files (risks of indirect disclosure eliminated)
- Good practices for granting access to microdata for researchers are either a secure part of the NSO, organised either physically in the premises of NSO or permitting remote access to a special server, with strict control about what is visible, downloaded or taken away in other form
- Access to microdata that are the result of matching different sources (other than statistical registers) has to be treated with greater restraint, which may lead to a complete exclusion from the above access options.

❖ If other producers than NSO carry out statistical surveys, they should have the right to receive list of addresses from the relevant statistical registers from the NSO according to the approved sample design
❖ All staff and other persons involved in handling confidential data have to sign confidentiality commitments on appointment
❖ The Statistical Law should provide for sufficient penalties for breaches of confidentiality

Principle 7: Laws and rules

❖ Not only the Statistical Law itself, but also the Statistical Programme, and all lower-level legislation should be public
❖ Decision-making processes about the "what" and the "how" should be transparent
❖ If there are advisory bodies such as a Statistical Council, reports on their meetings should be publicly accessible
❖ Evaluation reports and audits of statistical activities/Statistical Programme should be public

[13] A virtual exception is the remote access by researchers to microdata in the NSO in such a way that unit-level data and small aggregates with disclosure risks can neither be seen nor downloaded

- Policy manuals used in official statistics should be made public (with the exception of provisions on security measures)

Principle 8: Coordination

- The Fundamental Principles of Official Statistics apply to all producers of official statistics, not solely the NSO. As producers of official statistics are considered only those government or other public units that produce and disseminate official results in compliance with the Statistical Law. Publishing activity reports as by-product of some administrative activity, or collecting data for administrative purposes, is not enough in itself to qualify as a producer of official statistics
- The NSO is in charge of the co-ordination between statistical producers and of ensuring the system-wide coherence and compliance with the statistics law, and notably with the Fundamental Principles
- In countries with less than ≺ 25-30 million inhabitants, it is advisable, both from the efficiency and confidentiality points of view, that all household surveys for official statistics, as well as all business surveys (with the possible exception of those exclusively addressed at financial businesses) are the exclusive competence of the NSO
- The main instrument of coordination is the Statistical Programme (or equivalent)
- The NSO has to be in charge of preparing programmes and evaluations of the activities contained in them for the whole Statistical System. This task has to be carried out in a proactive way in relation both to users and other producers
- Through the Statistical Programme, the institutional responsibility (NSO or other producer) for output areas, for the execution of statistical surveys, and for the transformation of administrative and similar data into official results has to be clearly specified. The assignment of responsibilities should be made on the basis of criteria, such as synergies with other statistical activities and efficiency, and may have to be modified from time to time, e.g. when the main

source for the statistics in a given area changes from an administrative to a purely statistical one or vice-versa.[14]

- ❖ In addition, the co-ordination task of the NSO includes:
  - ensuring that the terminology of results disseminated is coherent
  - deciding, if diverging results are compiled from different sources, which is the official one, and investigating, and if possible explaining in terms of quantitative impact, the factors contributing to these discrepancies
  - offering on the website a one-stop shop for users which allow them to access all results of official statistics (not only those by the NSO)
  - keeping up-to-date catalogues of outputs and metadata made available to users across the system
  - ensuring dissemination platforms for all official statistics, and transmission to international organisations
  - setting binding standards for all producers concern cross-cutting methodologies (such as classifications) and the implementation of the fundamental principles (such as confidentiality)
  - managing the basic statistical registers from which addresses for exhaustive or sample surveys are extracted. No parallel partial statistical registers, specific to certain surveys, should be maintained.
  - supporting and advising other producers in both methodology and issues related to the fundamental principles
- ❖ President/Director of NSO represents the entire system of official statistics, both at the national and ~~especially~~ at the international level
- ❖ Co-ordination is not a police type of function; other producers should be convinced of the value added provided by being part of a system of official statistics under the leadership of the NSO
- ❖ The NSO should organise regular meetings with all other producers

[14] For this reason, it is not advisable to include such assignments directly at the level of the statistical or other law, with the exception of exclusive prerogatives fort he NSO. As a further exception, the role of producers such as the National Bank that are outside the government may find an explicit basis in their basic legislation; however, it is advisable that either implicitly or explicitly, a cross-reference is made to the Statistical Law being applicable for all matters of implementation, notably concerning the principles.

Principle 9: International standards

- The use of international standards at the national level is instrumental to
  - Improving international comparability, a key request by national users
  - Increasing the impartiality of decisions on the "how", especially when controversial
- The overall structure in terms of concepts and definitions should follow internationally accepted standards, guidelines, or good practices
- The boundaries of what to include or exclude from statistics in a given area, and the classifications used within such areas, should be broadly consistent with internationally accepted standards, guidelines, or good practices

Principle 10: International cooperation

- Staff of statistical producers should have the possibility to participate in international meetings and to be part of networks of statisticians from various countries that can exchange information and have discussions among members electronically
- The community of official statisticians, be they from NSOs or producers from other countries or from international organisations, is an invaluable source for advice and feed-back
- Only with the active participation of NSOs in setting up and revising international standards, and their feed-back on national information needs and implementation issues, can international standards keep their relevance

Basic text written by Heinrich Bruengger, Director of the Statistical Division of UNECE, on 7 January 2008

Attachment 2

Fundamental Principles of Official Statistics

Approved by the United Nations Economic Commission for Europe in 1992

The Economic Commission for Europe,

Bearing in mind that official statistical information is an essential basis for development in the economic, demographic, social and environmental fields and for mutual knowledge and trade among the States and peoples of the region,

Bearing in mind that the essential trust of the public in official statistical information depends to a large extent on respect for the fundamental values and principles which are the basis of any democratic society which seeks to understand itself and to respect the rights of its members,

Bearing in mind that the quality of official statistics, and thus the quality of the information available to the Government, the economy and the public depends largely on the cooperation of citizens, enterprises and other respondents in providing appropriate data needed for necessary statistical compilations,

Recalling the general provisions and standards adopted to this end by the European Convention on Human Rights, the Convention of the Council of Europe of 28 January 1991 for the Protection of Individuals with regard to automatic processing of personal data, the Final Act of the Helsinki Conference on Security and Cooperation in Europe, the Final Declaration of the Bonn Conference on Economic Cooperation in Europe and the Charter of Paris for a New Europe,

Recalling the efforts of governmental and non-governmental organizations active in statistics to establish standards and concepts to allow comparisons among countries,

Recalling the efforts of governmental and non-governmental organizations active in statistics to establish standards and concepts to allow comparisons among countries,

Recalling also the International Statistical Institute Declaration of Professional Ethics,

Having taken cognizance of the consensus reached within the Conference of European Statisticians on the need to define the principles governing the activities of the official statistical agencies in the region and in the member States,

Adopts the present resolution:

1. Official statistics provide an indispensable element in the information system of a democratic society, serving the government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.

2. To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.

3. To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.

4. The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.

5. Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.

6. Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.

7. The laws, regulations and measures under which the statistical systems operate are to be made public.

8. Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.

9. The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.

10. Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

The Conference of European Statisticians, at intervals of not more than three years, will discuss these principles, consider ways to contribute to their application and report to the Commission.

8th meeting of the UNECE

15 April 1992

These Fundamental Principles of Official Statistics can also be found on the web site of the Agency of the Republic of Kazakhstan on Statistics in Kazakh, Russian and English – www.stat.kz – as well as on the UNECE web site http://www.unece.org/stats/archive/docs.fp.e.htm .

Attachment 3

The Law on State Statistics of the Republic of Kazakhstan

Legislation of the Republic of Kazakhstan,

"ON STATE STATISTICS"

with amendments and revisions introduced by Law of the RK15.01.2002 Nr 280-II,

Legislation of the Republic of Kazakhstan

The present Law settles the legal relationship in the sphere of statistical activities, defines full powers and functions of the authorized institution and other state institutions performing statistical activities.

CHAPTER (I) 1 GENERAL PROVISIONS

Article 1 Incidence of the present Law

The present Law concerns physical and juridical persons of the Republic of Kazakhstan, affiliated societies and representatives of non-resident juridical persons, performing their activities on the territory of the Republic of Kazakhstan (described below as juridical persons).

The present Law defines the main principles of collection, processing and dissemination of statistical data on phenomena and processes existing in economic, social, demographic and ecologic (described below as social and economic) spheres of the Republic of Kazakhstan.

Article 2 Main concepts used in the present Law

In this Law the following main concepts are used:

Institutional statistical surveys - surveys conducted by state institutions of the Republic of Kazakhstan;

state statistics - a unified system of statistical information formed by statistical offices;

state statistical reporting - national and institutional statistical surveys where physical persons, juridical persons and their structural divisions following the procedures established by the Legislation of the Republic of Kazakhstan submit to state statistical offices reports signed by persons responsible for presentation and reliability of communicated data;

statistical survey – a systematic, scientifically organized collection of data on phenomena and processes of the social and economic life carried out by means of registration based on a

programme worked out beforehand. State statistical surveys are comprised of national and institutional statistical surveys;

national statistical surveys - surveys carried out by an authorised institution;

national census – national statistical surveys of all the physical and juridical persons subject to inspection all over the territory of the Republic of Kazakhstan up to the condition at the current time. It is carried out by an authorized institution over and above the statistical work plan;

primary statistical information - data on a specific physical person, a juridical person and its structural units presented to the state statistical offices during a statistical survey to be used for statistical purposes;

statistical work plan – an instrument containing annual plan of realization of state statistical surveys and other statistical work related to statistical surveys;

programme of statistical surveys - objectives and tasks of realization of the survey, a set of indicators (questions) on which data collection is based, methods of their calculation presented as a bulletin, a questionnaire, census form, registration form and others (described below as statistical forms) along to instructions on the statistical survey implementation procedure;

dissemination - ensuring access to non-confidential statistical data for users of this data regardless of forms and means used for this purpose;

special statistical surveys - national and institutional statistical surveys where primary statistical data is not collected by means of reports but in other ways. Regarding the way of primary statistical data collection distinction is made between surveys, registrations and censuses based on questionnaires, declarations, correspondence, inspections;

statistical activity – an activity related to collection, processing and dissemination of quantitative data of mass phenomena in the society based on statistical standards;

types of state statistical surveys - state statistical reporting and special statistical surveys*;*

authorised institution – a central executive body performing guidance of state statistics and powers of which are determined by the legislation of the Republic of Kazakhstan;

Article 3 Public policy of the Republic of Kazakhstan in the sphere of statistics

The public policy of the Republic of Kazakhstan in the sphere of statistics is aimed at establishment, operating and improvement of a unified statistical information system on the basis of scientific methodology and international standards.

The unified system of statistical information should satisfy all needs of physical and juridical persons in statistical data, describing situation and tendencies of the social and economic development of the republic.

The public statistical policy of the Republic of Kazakhstan is based on principles of unified methodological unity and centralization. The authorised institution co-ordinates statistical activities of governmental bodies and has the leading position in the system of state statistical surveys. Governmental bodies implement statistical surveys in cases they ensure

elaboration of more reliable statistical indicators than those worked out by the authorised institution.

Provision of primary statistical data by physical persons, juridical persons and their structural units during realization of national census and state statistical surveys determined by the statistical work plan is compulsory and free of charge.

Article 4 Basic requirements to governmental institutions performing statistical activity

The authorized institution and governmental bodies performing statistical activity is bound to ensure: integrity, reliability and sufficiency of statistical indicators; comprehensive and unbiased study, generalization and analysis of economic and social processes and tendencies that take place in the Republic of Kazakhstan and their tendencies;

accessibility and openness of statistical data within the limits set by the legislation of the Republic of Kazakhstan;

comparability of applied methodology and calculated main indicators with statistical standards used in international practice.

Article 5 Legislation of the Republic of Kazakhstan in the sphere of state statistics

The legislation of the Republic of Kazakhstan in the sphere of state statistics is based on the Constitution of the Republic of Kazakhstan and consists of the present Law and other national legislative acts of the Republic of Kazakhstan adopted in accordance with it.

If an international treaty ratified by the Republic of Kazakhstan stipulates rules different from those contained in the legislative acts of the Republic of Kazakhstan, the rules of the international treaty are applied.

Article 6 International co-operation in the sphere of state statistics

Relationships in the sphere of state statistics between the Republic of Kazakhstan and other states and international organizations are specified on the basis of bilateral and multilateral international treaties, direct agreements between the authorized institution of the Republic of Kazakhstan and statistical offices of other states and international organizations concluded on principles of equal rights and mutual interests in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

CHAPTER (II) 2 ORGANIZATION OF STATE STATISTICS

Article 7 State statistical institutions of the Republic of Kazakhstan

Statistical activities are performed by institutions which compile state statistics of the Republic of Kazakhstan:

the authorized institution and its territorial units**;**

governmental bodies performing statistical activities.

Article 8 Authorized institution

The authorized institution develops and implements public policy in the sphere of statistics develops and implements programmes on improvement of statistics in the Republic of Kazakhstan. It is independent in issues related to statistical registration methodology and methods, performs guidance of its territorial units, coordinates activities of subordinated organizations**.**

The authorized institution and its territorial units base their activities on the statistical work plan according to the Regulations on the authorized institution ratified by the Government of the Republic of Kazakhstan.

Legislative acts of the authorized institution on organization of statistics are compulsory for all physical persons covered by state statistical surveys.

With a view to implement the public policy in the sphere of statistics the authorized institution:

co-ordinates statistical activities of state bodies on the basis of adoption of statistical survey programmes;

co-operates in the sphere of statistics with foreign countries and international organizations, concludes with them agreements and treaties aimed at development of state statistics;

publishes legislative acts in the sphere of state statistics.

Article 9 State statistical register

The state statistical register represents a tool of statistical registration and contains short administrative and economic information about all physical and juridical persons covered by statistical registration. Its implementation is performed by the authorized institution and its territorial units in accordance with international standards.

Governmental bodies and their subordinated organizations which compile and maintain registers and informational databases on physical and juridical persons, provide to the state statistical institutions free of charge information necessary to compile and update the unified State Statistical Register.

Article 9-1 Households' survey in settlements

The household survey is a state statistical survey of physical persons living on countryside as well as of physical persons having individual (auxiliary) farming independently on their place of residence.

The Akim of the village, of the settlement of the rural district is responsible for registration records in household's books.

The authorised institution is responsible for methodology related supervision of households recording and uses data of this recording for producing relevant statistical

indicators.

CHAPTER (III) 3 RIGHTS AND DUTIES OF GOVERNMENTAL BODIES IN STATISTICS FIELD

Article 10 Rights of the authorized institution

Within the scope of their responsibilities, the authorised institution and its territorial units have the right:

To receive from legal persons and their structural units free of charge, reliable state statistical reports in accordance with sizes and terms determined by the statistical work plan;

in cases determined in the legislation of the Republic of Kazakhstan, to receive from physical persons reliable information needed for statistical generalization and analysis and related to their economic, social and demographic situation and their business activities;

in line with the procedures agreed by the Government of the Republic of Kazakhstan, to involve responsible staff members of organisations into implementation of state statistical surveys;

to draft and adopt programmes of state statistical surveys**;**

to receive from governmental institutions primary statistical data as well as other information that they possess due to their functions and that will be used for the purposes of the State statistical register and for production of statistical data not duplicating the generated statistical data produced by those governmental institutions**;**

to exercise other functions in accordance with the Regulation on the Authorised Institution confirmed by the Government of the Republic of Kazakhstan.

Article 11. Duties of the authorized institution.

Within the scope of their competence, the authorized institution and its territorial units are obliged:

to develop statistical methodology in accordance with international statistical standards;

to keep control over the execution of methodical instructions;

according to the statistical work plan , to conduct nation-wide statistical surveys and to provide governmental bodies with both statistical and analytical information by way of the procedure established by the Government of the Republic of Kazakhstan;

to provide access of aggregated statistical data for physical and legal persons

on the requirements of the public prosecutor to represent gratuitously required information by the way of the procedures established by the Legislation of the Republic of Kazakhstan;

to provide statistical data to international organizations in accordance with the obligations stipulated in current agreements and to exchange statistical data with foreign countries;

to supply physical and legal persons that provide information to state statistical offices with the blanks of statistical forms and instructions on their completion

to provide accumulation, conducting and actualization of information statistical databases on social and economic situation of the Republic and its regions;

to keep sake State and commercial secrets, keep confidential primary statistical data on the base of personal responsibility of the staff of state statistical offices according to the legislation of the Republic of Kazakhstan;

to organize scientific research in statistics field.

Article 12 Rights and duties of governmental institutions and their territorial units performing statistical activities

Within the bounds of their competences governmental institutions and their territorial units performing statistical activities have the right:

to conduct institutional statistical surveys;

to develop programmes of institutional statistical surveys;

to receive statistical information from physical and legal persons;

to receive from governmental bodies information which they dispose due to their functions in order to produce statistical data by themselves ;

to control over the statement of primary accounting and statistical reporting in agencies,

to examine reliability of the received data.

Governmental institutions and their territorial units performing statistical activities are obliged:

to keep the principle of safety of State and commercial secrets, of confidentiality of primary statistical information;

to provide for the coordination and statement of the programmes of current statistical surveys and projects of methods related studies.

Article 13 Guaranties of rights for physical and legal persons

Physical and legal persons are guarantied confidentiality of primary statistical data, access to Statistical work plan. Primary statistical data can be disseminated only by consent of physical and legal persons who provided the information or in an anonymous form. The received information on physical and legal persons from governmental institutions should de disseminated only by the consent of governmental institutions that provided information. Other conditions of dissemination of primary statistical information are determined by legislative acts of the authorised institution concerning:

Information on legal persons with state form property or the control package of shares which belong to the state.

Non-confidential information from the State statistical register.

CHAPTER (IV) 4 RESPONSIBILITY FOR INFRIGEMENT OF THE LEGISLATION OF THE REPUBLIC OF KAZAKHSTAN IN STATE STATISTICS

Article 15 (Responsibility for infringement of the legislation of the Republic of Kazakhstan in state statistics)

Persons guilty of infringement of the legislation of the Republic of Kazakhstan in state statistics carry the responsibility according to the proceedings established by the legislative acts of the Republic of Kazakhstan.

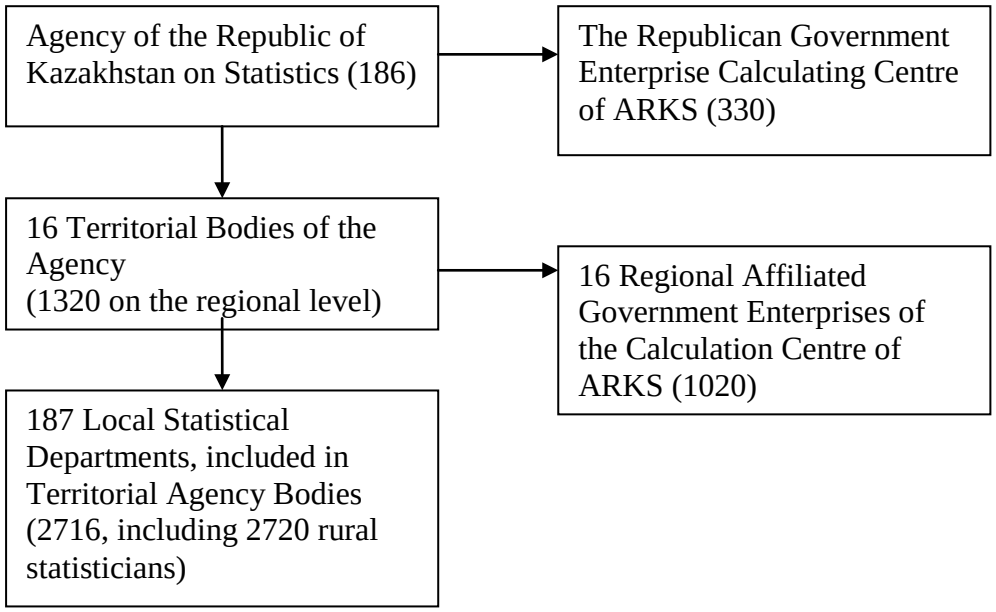
The President of the Republic of Kazakhstan

N. Nazarbaev

Attachment 4

The General Structure of the Agency of the Republic of Kazakhstan on Statistics as of 1 January 2006

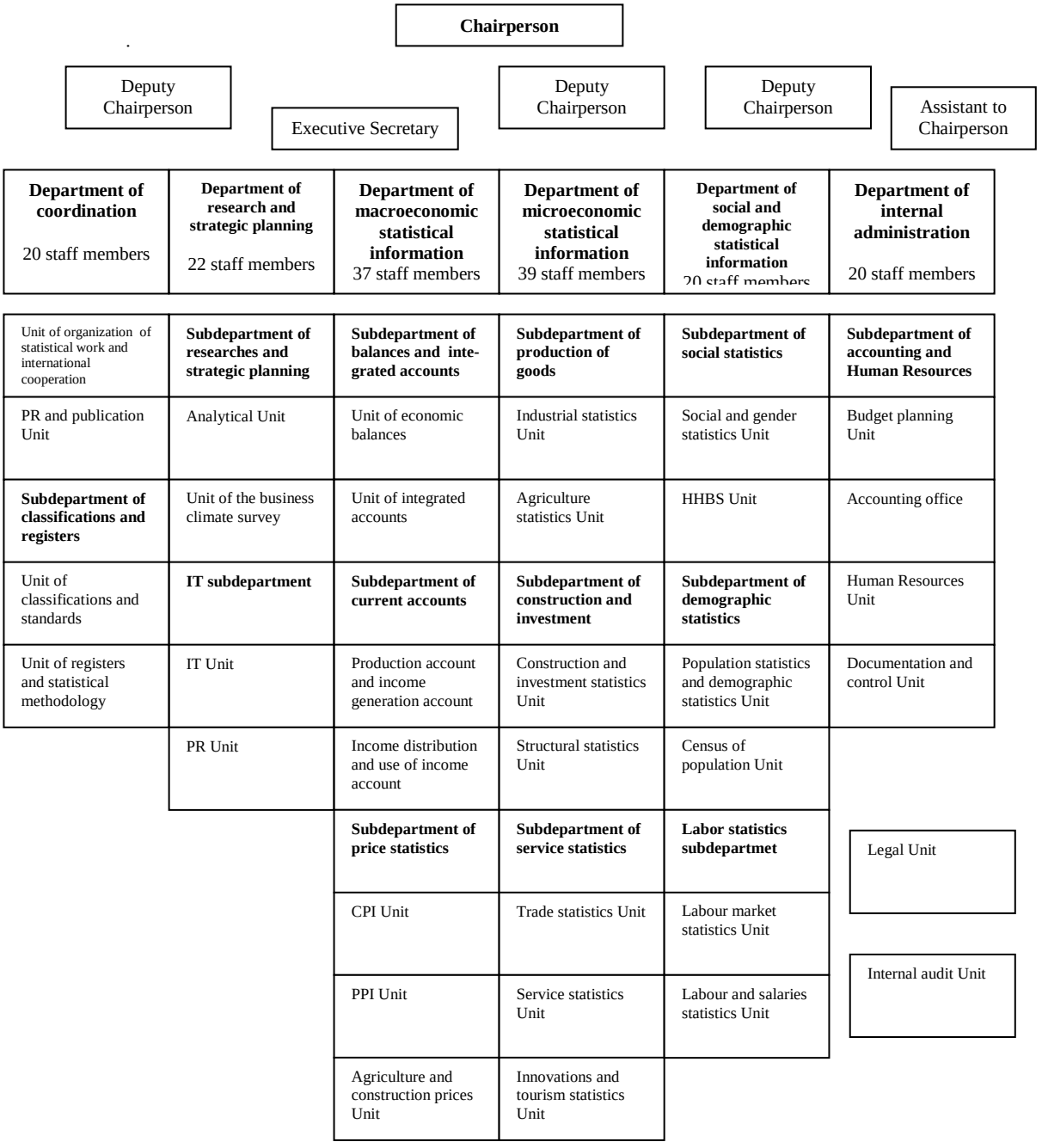
THE GENERAL STRUCTURE SYSTEM OF THE AGENCY OF REPUBLIC OF KHAZAKHSTAN ON STATISTICS
Including information on the number of staff member positions as of January 1 2006



Source: Государственная статистика Казахстана: принципы организации и развития статистической деятельности. Алматы, 2006

Attachment 5

Organizational Chart of the Agency of the Republic of Kazakhstan on Statistics as of 30 November 2007



Attachment 6

Magnitude of Statistical Activities of other Agencies and Ministries than the ARKS in the Statistical System of Kazakhstan as of 1 January 2006

Governmental Bodies by Statistical Activities	**Number of staff memberes**	
	Supervision	**Other Statistical Work**
Ministry of Internal Affairs	17	5
Ministry of Health	50	4
Ministry of Industry and Trade	1	
Ministry of Culture, Information and Sports	5	4
Ministry of Research and Science	11	1
Ministry of Environment	1	
Ministry of Agriculture	38	
Ministry of Transport and Communication	4	
Ministry of Labor and Social Welfare	14	5
Ministry of Finance	3	2
Ministry for Emergency Situation	2	
Ministry of Energy and Mineral Resources	17	2
Ministry of Justice	2	
National Bank	27	6
Agency for Managing Ground Resources	7	1
Agency for Information and Communication	2	
Total	201	30

Source: Государственная статистика Казахстана: принципы организации и развития статистической деятельности. Алматы, 2006, page 54

Attachment 7

Draft for a Strategic Plan of Development, Agency on Statistics, Republic of Kazakhstan for 2007 – 2012

Drafted in May 2007

Approved by

Chairman, Agency on

Statistics, Republic of Kazakhstan

_____ A.Meshimbaeva

"_____" _____ _____ 2007

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
1	**The target indicator 1: Transition to the statistical system based on principles of the European register statistics by maintenance of comparability of statistical registers with state database at a level not below 90 %**			
1.1	Problem 1: Formation of missing registers in statistics			
	Action 1 Formation of the register for social statistics (dwelling register)	Dwelling register	Registration in the state register of information systems	2007-2008
	Action 2 Formation of the register of the population	Population register	Registration in the state register of information systems	2007-2011
1.2	Problem 2:Providing interaction of system of statistical registers with registers of other governmental bodies			

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	Action 1 Interaction of the State statistical register with state database of businesses	Introduction of Business ID	The legislative act	2007-2010
	Action 2 Interaction of the State statistical register with State Pension center (databases on social security)	Data acquisition about number of persons employed	The legislative act	2007-2009
	Action 3 Interaction of the State statistical register with Tax register	Data acquisition from tax declarations of businesses and individual businessmen	The legislative act	2007-2010
	Action 4 Interaction of the Register for social statistics with Dwelling register	Data acquisition about registration of cost of premises	The legislative act	2008-2009
	Action 5 Interaction of the register of the population with state database of individual entrepreneurs	Reception of the personified data about the population	The legislative act	2011-2012
1.3	Problem 3: Formation of information systems for microdata and metadata for register statistics			
	Action 1 Creation of microdata storage	Standardization of microdata base	Registration in the state register of information systems	2007-2008
	Action 2 Creation of base of statistical classifications and directories	Transition to use in all program complexes of common base of classifications	Registration in the state register of information systems	2008-2010
	Action 3 Creation of system “ Electronic reporting ”	Introduction of a new kind of services for respondents	Registration in the state register of information systems	2008-2010

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
1.4	Problem 4. Reorganization of processes of data collection and processing according to tasks of register statistics			
	Action 1 Standardization of statistical forms and questionnaires	Questionnaires	Legislative acts and regulations	2007-2010
	Action 2 Standardization of data processing	Instructions	Legislative acts and regulations	2009-2011
	Action 3 Increasing of data production on the basis of registers	New statistical data	Iinformation for users	2008-2012
1.5	Problem 5: Transition to new system of the international statistical classifications			
	Action 1 Development and introduction of new edition of the State classificator of types of economic activities	NACE rev.2	The order of Committee on technical regulation and metrology RK	2007-2008
	Action 2 Development and introduction of the new version of the state classificator of production	**CPA REV.2**	The order of Committee on technical regulation and metrology PK	2008-2009
	Action 3 Development of departmental nomenclatures, classifications and directories, according to new state classifications	System of classifications	Orders of the Agency on Statistics	2008-2012
2	**The target indicator 2: Introduction of the quality standards on processes and services of statistics – 3 standards**			

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
2.1	Problem 1: Introduction of standards ISO - 70			
	Action 1 Introduction of system of a continuous quality management	Standardization of processes of production of statistical data	Report The Plan of introduction	2008
	Action 2 Certification of system of a continuous quality management	The certificate	The certificate of quality ISO 9001	2008
	Action 3 Confirmation of the certificate of quality	The certificate	The certificate of quality ISO 9001	2011
2.2	Problem 2: Introduction of standards of the state services			
	Action 1 Introduction of principles of " one window ” for service of respondents and users	Creation of " one window ” in all regional divisions	The order the Agency on Statistics	2007-2008
	Action 2 Development of standard rules of providing services	***Rules of providing services***	***The order the Agency on Statistics***	2007
	Action 3 Introduction of rules of quality of services by territorial bodies	***Rules of quality of services***	***Orders of territorial bodies of the Agency on Statistics***	2007

		Final results	The form of completion	Time of Performance
1	2	3	4	5
3	**The target indicator 3. Development and introduction of methodologies and techniques on the basis of the international recommendations**			
3.1	Problem 1. Providing conformity of Kazakhstan methodology with methodology of the international organizations			
	Action 1 To develop new classifications and nomenclatures of production	Classifications and Nomenclatures of production	Legislative acts and regulations	2007-2008
	Action 2 To introduce standards in the field of statistical coordination including system of quality management	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 3 To introduce surveys of labor cost	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 4 To introduce criteria of the International Labor Organization for development of indicators of working hours	Forms and instructions	Legislative acts and regulations	2008
	Action 5 To introduce modules “gross and net involvement of population into education ”, “education for all ”, “ life–long education ”	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 6 To introduce modules "middle class", “ social groups ” and others	Forms and instructions	Legislative acts and regulations	2007
	Action 7 To introduce conceptual approaches on formation of tables "Costs -	Technique development	Legislative acts and regulations	2007

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	Output "			
	Action 8 To introduce structural indicators: turnover, the added value, labor productivity etc. envolving enterprises, branches and regions	Forms and instructions	Legislative acts and regulations	2007
	Action 9 To introduce indicators of the physical volume comparable to structural indicators of the branches	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 10 To introduce the statistical account of nonconventional kinds of the electric power	Forms and instructions	Legislative acts and regulations	2008
	Action 11 To improve methodology of the statistical account in sphere of transport	Forms and instructions	Legislative acts and regulations	2007
	Action 12 To introduce modules “ electronic trade ” and “ information society ”	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 13 To introduce the international recommendations on statistics of culture	Forms and instructions	Legislative acts and regulations	2008
	Action 14 To improve methodology of formation of price indexes	Forms and instructions	Legislative acts and regulations	2007-2008
	Action 15 Studying the labour market from the point of view of the potential labour supply	Methodology	Legislative acts and regulations	2008-2010

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	Action 16 Development of a technique on statistical indicators of measurement of labour quality	Methodology	Legislative acts and regulations	2008-2010
	Action 17 To introduce conceptual approaches on formation of the auxiliary ecological account	Technique	Legislative acts and regulations	2012
	Action 18 To introduce conceptual approaches on developing cost of living index	Technique	Legislative acts and regulations	2012
	Action 19 To define methodological approaches on formation of real volumes of communication services in the Republic regarding factors of “hidden economy”	Forms and instructions	Legislative acts and regulations	2008-2009
	Action 20 Preparation and introduction of methodical recommendations on administrative innovations	Forms and instructions	Legislative acts and regulations	2009
	Action 21 To develop methodological approaches by definition of structure of parameters and criteria of surveys in the self-	Forms and instructions	Legislative acts and regulations	2009

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	organized tourism			
	Action 22 To develop methodical recommendations on development of indicators and defining volumes of hidden economy in sphere of services	Forms and instructions	Legislative acts and regulations	2009
	Action 23 To develop methodological recommendations by definition of indicators in the branch " services on operations with real estate "	Forms and instructions	Legislative acts and regulations	2008
3.2	Problem 2. The further development of methodology regarding tasks of register statistics (on branches of economy)			
	Action 1 Development of strategy of transition to register statistics	Strategy	Legislative acts and regulations	2008
	Action 2 Development of methodology and methodical recommendations within the limits of realization of the accepted strategy	Techniques	Legislative acts and regulations	2009-2012
4	**The target indicator 4: Development of statistical information system for monitoring of realization of governmental programs**			
4.1	Problem 1: Information-analytical provision of implementation of the state programs of social and economic development of Republic Kazakhstan			
	Action 1	Perfection of monitoring of	The report to Government RK	2007-2012

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	To develop system of statistics for monitoring of implementation of the state programs	Governmental programs	about activity of working group on coordination of activity of the governmental bodies in sphere of the state statistics	
	Action 2 To develop monitoring of implementation of the state programs	**TABLES FOR CONDUCTING** monitoring	The report to Government RK about activity of working group on coordination of activity of the governmental bodies in sphere of the state statistics	2007-2012
	Action 3 To develop and introduce information system of distribution of statistical and analytical information of the Agency on Statistics and its territorial divisions through the common Internet-portal	New kind of services for users	The Internet-portal of the Agency on Statistics and its territorial divisions	2007-2008
4.2	Problem 2: Introduction of modern technologies of preparation of statistical publications			
	Action 1 To develop the automated system of filling models of statistical publications with use of modern technologies	Improvement of quality of preparation of statistical publications	Registration in the state register of information systems	2011
	Action 2 To develop and introduce the common geoinformation	Maps and sharts for users	Registration in the state register of information systems	2010

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	system (GIS) of statistics			
4.3	Problem 3: Perfection of organizational forms of interrelations with users of the statistical information			
	Action 1 To develop a common database of users of the statistical information both central and regional levels.	Improvement of service of users	Database of users	2009
	Action 2 To create the call-centers at the central and regional levels	Operative provision of statistical services for users	Call-centers in the Agency on Statistics RK and in territorial statistical boards	2008-2009
	Action 3 To develop system of consulting services, creation of a database of clients via"Internet-portal"	Operative provision of consulting services to users	Database of clients	2009
5	**The target indicator 5: Decrease in total load on respondents not less, than on 5 % a year**			
5.1	Problem 1: Strengthening of coordination of activity of the governmental bodies in sphere of statistics			
	Action 1 To achieve essential decrease in duplication of data gathering and improvement of information interchange between the state bodies	Reduction of statistical forms	The report to Government RK about activity of working group on coordination of activity of the governmental bodies in	2007

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
			sphere of the state statistics	
	Action 2 Transition to electronic forms of the reporting	50 % of reporting from the enterprises in electronic form	System of registration of respondents in Internet-portal	2009-2012
5.2	Problem 2. The organization of monitoring of loading on the enterprises			
	Action 1 To create system of the account of statistical loading on business by quantity of the presented reports and on time spent for their filling and delivery to statistical bodies	Methodical recommendations	The order of the Agency on Statistics	2008
	Action 2 Informing public on changes in loading of respondents	Indicators of loading on the enterprises	The information for the public	2008-2012
6	**The target indicator 6: Carrying out analytical works and research aimed to perfection of methodology and the system analysis**			
6.1.	Carrying out of analytical works	The analysis	Analytical reports	2007-2012
6.2.	Carrying out of researche	Researche	The report	2007-2012
7	**The target indicator 7. Strengthening of organizational and personnel potential of Agency on Statistics – reduction of Agency and its territorial bodies staff not less than on 100 units**			
7.1	Problem 1. To optimize structure of Agency and its territorial bodies			
	Action 1 Development of a new structure of Agency	Increase in the central staff of the Agency	**THE LIST OF STAFF**	2007

		Final results	**The form of completion**	**Time of Performance**
1	2	3	4	5
	Action 2 Development of standard structure of territorial body	Reduction of staff in territorial bodies	**THE LIST OF STAFF**	2007
7.2	Problem 2. To raise personnel potential of Agency and its territorial bodies			
	Action 1 To develop system of an assessment of works of each employee	Strengthening of motivation of work	Legislative acts and regulations	2008
	Action 2 To introduce system of rotation of the staff	Exchange of experience	Rules	2008

Attachment 8

Draft for a Strategic Plan of Development, Agency on Statistics, Republic of Kazakhstan for 2007 – 2012

Drafted in May 2007

PLAN

Of activities of the working group on coordination of governmental bodies in the field of state statistics

№	Issues Considered	Activities	Form of Implementation	Responsible Body	Completion Date
1. Setting up tasks and planning working group activities					
1.1	Discussion of tasks and planning working group activities	▪ Discussion of tasks and plan of the working group	▪ Suggestions of governmental bodies	The Agency on Statistics and other governmental bodies	Apr. 11, 2007
		▪ Optimization of departmental reports. Determination of list of forms not expedient for collection	▪ Suggestions on eliminating departmental reports (abolition of outdated forms, transition to the administrative registration)	The Agency on Statistics in cooperation with other governmental bodies	up to Jun.1, 2007
			▪ AS order on abolition of departmental forms	AS	up to Jun.1, 2007

№	Issues Considered	Activities	Form of Implementation	Responsible Body	Completion Date
		▪ Determination of working group activities	▪ Approval of Plan of activities of the working group	AS	up to May 1 2007
2. Optimization of statistical data collection function					
2.1	Optimization of function of data collection between Agency on Statistics and Ministry of Education RK	▪ Differentiation of departmental data collection functions between governmental bodies ▪ Definition of format and forms of data representation	▪ Adoption of legislative acts and regulations ▪ Data transferring	Ministry of Education, AS	up to June1, 2007 according to a special plan
2.2	Optimization of function of data collection between Agency on Statistics and Ministry of Public Health Care RK	▪ Differentiation of departmental data collection functions between governmental bodies ▪ Definition of format and forms of data representation	▪ Adoption of legislative acts and regulations ▪ Data transferring	Ministry of Public Health Care, AS	up to Jul. 1, 2007 according to a special plan
2.3	Optimization of function of data collection between Agency on Statistics and Ministry of Power Engineering and Mineral Resources	▪ Differentiation of departmental data collection functions between governmental bodies ▪ Definition of format and forms of data representation	▪ Adoption of legislative acts and regulations ▪ Data transferring	Ministry of Power Engineering and Mineral Resources, AS	up to Jul. 1, 2007 according to a special plan
3. Perfecting forms of departmental reports					

№	Issues Considered	Activities	Form of Implementation	Responsible Body	Completion Date
3.1	Perfecting forms of Ministry of Labour and Social Protection	Introducing and additions in the departmental statistical report 6-sobes "Report on social support of lonely, old-aged and disabled people"	Order of AS on introduction of changes and additions in the statistical reports	Ministry of Labour and Social Protection, AS	May 2007
3.2	Perfecting of forms of other governmental bodies (in the course of applications)	Introducing changes and additions in the departmental statistical reports	Order of AS on introduction of changes and additions in the statistical reports	All interested governmental bodies together with AS	up to Aug. 1, 2007
4. Submitting information of other governmental bodies					
4.1	Submitting data on tax declarations of businesses and entrepreneurs	▪ Introduction of addition into the Code of RK "On taxes and other mandatory payments" from June 12, 2001 regarding concession of a right to authorized bodies to receive individual data from tax declarations of businesses and entrepreneurs.	▪ Introduction of changes in Article 518, Code of RK "On taxes and other mandatory payments"	Tax Committee, AS	according to the plan of works on drafting legal acts
		Determining format and forms of receiving data from Tax Committee. Elaboration of interactive information system.	▪ Joint order of AS and TC	TC, AS	up to Oct. 1, 2007
4.2	Submitting data on car owners	Determining format and forms of receiving data. Data are submitted once a year. Completion of database of car owners.	▪ Joint order of AS and Ministry of Internal Affairs	AS, MIA	up to Nov. 1, 2007

№	Issues Considered	Activities	Form of Implementation	Responsible Body	Completion Date
4.3	Submitting individual data on migration	▪ Determining format and forms of receiving data. ▪ Introduction of individual address lists instead of statistical coupons "arrival/on leave"	▪ Individual data on migration of population ▪ Approval of individual address lists	MIA, MJ, AS	up to Jul. 1, 2007 up to Aug. 1, 2007
4.4	Submitting data on evaluation of power and mineral	▪ Addition to the decree of the Government of №275 from April 13, 2006 regarding including the authorized statistical body into the list of bodies receiving information on the state balance of mineral deposits ▪ Determining format and forms of submitting data.	▪ Introduction of addition into the Decree of Government of RK №275 from April 13, 2006 ▪ Submitting information on the state balance of all kinds of mineral deposits	MPMD, AS MPMD	up to Jul. 1, 2007 up to Jul. 1, 2007
4.5	Submitting data from State Pension Center (Ministry of Labour and Social Protection)	▪ Determining format and forms of submitting data. Elaboration of software at SPC	Joint order of AS and MLSP	MLSP, AS	up to Jun. 1, 2007
5. Works with users					

№	Issues Considered	Activities	Form of Implementation	Responsible Body	Completion Date
5.1	Exchange of expertise (improvement of skills and knowledge in the field of state statistics (methodology, technologies, etc) among users of statistical information)	Open workshops on special themes held by Agency on Statistics	▪ Suggestions of governmental bodies on the topics of workshops ▪ Approval of annual plan of workshops	Governmental bodies AS	up to May 1, 2007 up to May 15, 2007
5.2	Monitoring indicators of governmental and branch programmes	Working out and confirmation of a system of monitoring major indexes	▪ Suggestion of governmental bodies regarding list of statistical indexes adopted as program indicators for monitoring. ▪ Dissemination of information via website	Governmental bodies AS	up to May 1, 2007 up to Sep. 1, 2007
5.3	Users demand research	▪ Surveys and questionnaires ▪ Working out schedule of submitting tables containing statistical data on the basis of individual claims of governmental bodies	▪ Suggestions on improvement of forms of work with users ▪ Schedule of submitting information in the form of particular tables	AS Governmental bodies and AS	up to Jul. 1, 2007 up to Aug. 1, 2007
5.4	New forms of services for governmental bodies	Access to statistical database via united Internet portal of AS	Internet portal of AS	AS	the first quarter of 2008

AS – Agency on Statistics

Attachment 9

Dissemination practices – Case Statistical Yearbook of Kazakhstan 2007

- How the printrun of 3'000 copies of the Statistical Yearbook has been disseminated
- In the case of Kazakhstan, this means = distributed free of charge
- Source: Distribution list provided by the Dissemination Unit of ARKS, reclassified in the course of the Global Assessment by Petteri Baer

	Number of copies
Agency on Informatization and Communications	1'000
Regional Offices of the ARKS; 16 offices, receiving 14-27 copies per office	328
Secondary Educational institutions and libraries; Out of Them 70 Central Libraries and 252 Regional libraries and Secondary Educational institutions	322
Ministries and Central Administrations	158
Members of Parliament	154
Embassies and other diplomatic representations; Out of them 68 Kazakh Embassies and Consulates abroad and 67 Foreign Embassies and diplomatic representations in Kazakhstan; Distributed by the Ministry of Foreign Affairs	135
Universities and Higher Educational Institutions, 20 organizations Receiving 5 copies each	100
Central Organs of the Republic; 39 to the Administration of The Parliament, 38 to the Administration of the President, 22 To the Chancellor's Office of the Prime Minister – all listed by the name of the receiver	99
Regional Administration Units, 16 Akims receiving 6 copies each	96
Scientific and Research Institutions, 19 organizations receiving 5 copies each	95
National Statistical Offices abroad	31

Assembly of the Peoples of Kazakhstan 30

Other Non-Governmental organizations (NGOs); among them the Confederation of Trade Unions, the Development Fund of Small Entrepreneurship, Youth organizations, Pensioners' organizations and others 12

Banks, out of these 5 to the National Bank of Kazakhstan 10

International organizations, out of these 5 located in Kazakhstan 7

Book Repository of the Republic (Книжная палата) 1

The Centre of Mass Media and Propaganda of the Reform (Отдел СМИ и пропаганды реформ) 1

Top management, Library and Staff of ARKS 76

Remains at the Dissemination Unit for use in international seminars, press conferences, open doors days of statistics and other ad hoc purposes 350

Sum total3'000

Attachment 10

Response to Questions, based on the Self Assessment Questionnaire of the European Statistical System by the Deputy Manager on Quality Issues of the ARKS in October 2007

(To be found on the following page)

Global Assessment of the Statistical System of the Republic of Kazakhstan
UNECE and UNESCAP * January 2008

Attachment 10

Response to Questions, based on the Self Assessment Questionnaire of the European Statistical System by the Deputy Manager on Quality Issues of ARKS in October 2007

EUROPEAN COMMISSION
EUROSTAT

Deputy Director General
Unit 0-2: Statistical governance, quality and evaluation

eurostat

European Statistics Code of Practice

Self Assessment Questionnaire

The questionnaire may be answered electronically by either clicking on boxes or filling in text in the foreseen fields.

2. Mandate for Data Collection

Statistical authorities must have a clear legal mandate to collect information for European statistical purposes. Administrations, enterprises, households, and the public at large may be compelled by law to allow access to or deliver data for European statistical purposes at the request of statistical authorities.

Indicator 2.1:
The mandate to collect information for the production and dissemination of official statistics is specified in law.

1. Is the mandate to collect information for the production and dissemination of official statistics specified in law?
   - Yes ☒
   - No ☐

Indicator 2.2:
The statistical authority is allowed by national legislation to use administrative records for statistical purposes.

2. a Is the statistical authority allowed to use administrative sources for statistical purposes?
   - Yes ☒
   - No ☐ **Skip to 3**

   b If yes,
   - by legislation ☒
   - by other forms of agreement ☐

   c If yes, are the ministries and institutions allowed to provide data on the base of their specific legislation?
   - Always ☒
   - Sometimes ☐
   - Never ☐

Indicator 2.3:
On the basis of a legal act, the statistical authority can compel response to statistical surveys

3. a Is the obligation to reply to a survey stipulated by the statistical legislation of your country?
   - Yes, for all surveys ☒ **Skip to 4**
   - Yes, for some surveys ☐
   - No ☐ **Skip to the next chapter**

   b If yes for some, which types of reporting units (entities) are included?
   - All enterprises ☐
   - Some enterprises ☐
   - Households only ☐
   - Other reporting units (please specify below) ☐

8

4. a In case households reject the obligation to reply to a survey, is there a system of sanctions in place?

Yes ..... ☒

No ..... ☐ **Skip to 5**

b If yes, how often do you practice it?

Always ..... ☐

Sometimes ..... ☒

Never ..... ☐

5. a In case enterprises reject the obligation to reply to a survey, is there a system of sanctions in place?

Yes ..... ☒

No ..... ☐ **Skip to 6**

b If yes, how often do you practice it?

Always ..... ☐

Sometimes ..... ☒

Never ..... ☐

Follow up:

6. Please state below the main area of strength with regard to your organisation's mandate for data collection:

7. Please state below the main area of weakness with regard to your organisation's mandate for data collection:

8. On the basis of the above mentioned indicators of the European Statistics Code of Practice, please list below actions you would like to take which are suited to strengthen your organisation's mandate for data collection:

Actions and time frame:

4. Quality Commitment

All ESS members commit themselves to work and co-operate according to the principles fixed in the Quality Declaration of the European Statistical System.

1. a Has your organisation introduced a Total Quality Management (TQM)-system (e.g. the EFQM Excellence Model)?
   - Yes ☐ **Skip to 2**
   - No ☒
   - b If no, is the implementation of the EFQM model (or similar model) planned?
     - Yes ☒ &
     - No ☐ **Skip to 2**
   - c If you plan to do so, please give the time frame. 2008
     Time frame
2. Has your organisation a Strategic Plan or a Business Plan with a long-term (e.g. 5 years) perspective?
   - Yes ☒ → 2013
   - No ☐
3. a Does your organisation have an entity dealing with quality management?
   - Yes ☒
   - No ☐ **Skip to 4**
   - b If yes, what kind of organisational entity is it?
     - Unit or department ☒ 4 persons
     - Quality Manager ☐
     - Other (please specify below) ☐
4. Does your organisation internally promote the European Statistical System Quality Declaration?
   - Yes ☐
   - No ☒ study courses opening on

15

10. Do you have a formal policy in place to guide the planning for new surveys?

Yes ☐
No ☐

Indicator 4.4:
Quality guidelines are documented and staff is well trained. These guidelines are spelled out in writing and made known to the public.

11. a Do you have internal handbooks / guidelines / recommendations for the statistical production process?

Yes for all ☐
Yes for most ☐
Yes for some ☒
No ☐

b If yes, are they available as well to external users?

Yes ☐
No ☒ in the future

12. Do you have specific training programs to address quality issues at your organisation?

Yes ☒
No, but foreseen during (please specify the time frame) ☐
No ☐

Indicator 4.5:
There is a regular and thorough review of the key statistical outputs using external experts where appropriate.

13. How many of your statistical outputs do you regularly review?

developing better methods 2008 ⇒

	> 75%	25-75%	< 25%	none
Share of output reviewed	☒	☐	☐	☐

Skip to 15

14. During the last three years, did the findings from the reviews result in action plans?

Yes for all ☐
Yes for most ☒
Yes for some ☐
No ☐

15. a During the last three years, have your statistical outputs been subject to a Data Review of Standards and Codes (ROSC) by the International Monetary Funds?

when IMF SDDS implemented

Yes ☐
No ☒ Skip to 16

b If yes, please list the statistical areas:

5. Statistical Confidentiality

The privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes must be absolutely guaranteed.

Indicator 5.1:
Statistical confidentiality is guaranteed in law.

1. Is statistical confidentiality guaranteed by national legislation?
   - Yes ..... ☒
   - No ..... ☐

Indicator 5.2:
Statistical authority staff sign legal confidentiality commitments on appointment.

2. Does statistical authority staff sign legal confidentiality commitments when appointed?
   - Yes ..... ☒
   - No ..... ☐

Indicator 5.3:
Substantial penalties are prescribed for any wilful breaches of statistical confidentiality.

3. Are penalties prescribed for any wilful breaches of statistical confidentiality…
   a … for employees of the statistical authority?
   - Yes ..... ☒
   - No ..... ☐

   b … for other persons?
   - Yes ..... ☒
   - No ..... ☐ **Skip to 4**

   c If yes, please specify the legal references by which penalties are/can be applied

Codex for violating administrative principle 38 § 3 4

Indicator 5.4:
Instructions and guidelines are provided on the protection of statistical confidentiality in the production and dissemination processes. These guidelines are spelled out in writing and made known to the public.

4. Do instructions and guidelines exist for the protection of statistical confidentiality, e.g. ….
   a …. for production processes
   - Yes ..... ☒
   - No ..... ☐ **Skip to 5**

   b … for dissemination processes
   - Yes ..... ☒
   - No ..... ☐ **Skip to 5**

c Are they made known to the public?

Yes	☒
Partly	☐
No	☐ **Skip to 5**

d To whom are they addressed? Multiple choice is possible.

Not applicable	☐
Employees of the statistical authority	☒
Other data producers	☒
Media	☒
Scientific community	☒
Others (please specify below)	☒

Indicator 5.5:
Physical and technological provisions are in place to protect the security and integrity of statistical databases.

5. a Do you have procedures in place to guarantee the security and integrity of your confidential data?

Yes	☒
No	☐ **Skip to 6**

b If yes, please specify the procedures (multiple choice is possible).

Legal provisions	☒
Specific unit/department/division devoted to the protection of the security of the statistical database	☐
Technical provisions	☒
Others (please specify below)	☐

Indicator 5.6:
Strict protocols apply to external users accessing statistical microdata for research purposes.

6. a Does the statistical authority grant access to statistical microdata for research purposes? Multiple choice is possible.

Yes	☐
No	☐ **Skip to 7**

b If yes, on the basis of…

Legal provisions	☐
Protocols	☐
Others (please specify)	☐

6. Impartiality and Objectivity

Statistical authorities must produce and disseminate European Statistics respecting scientific independence and in an objective, professional and transparent manner in which all users are treated equitably.

1. a Has objectivity of official statistics been criticized by media, users, or the public during the last two years?
   - Yes ..... ☒
   - No ..... ☐ **Skip to 2**

   b If yes, please specify and give an example:

Indicators 6.1 and 6.2:
Statistics are compiled on an objective basis determined by statistical considerations.
Choices of sources and statistical techniques are informed by statistical considerations.

2. a Is there a policy in place that states that data sources and statistical techniques are selected by statistical considerations only?
   - Yes ..... ☒
   - No ..... ☐ **Skip to 3**

   b If yes, have there been any violations against such a policy during the last two years?
   - Yes ..... ☐
   - No ..... ☒

Indicator 6.3, please refer as well to "Accessibility and Clarity":
Errors discovered in published statistics are corrected at the earliest possible date and published.

3. a Is there a procedure in place to record information about serious errors that are discovered in published data?
   - Yes ..... ☒
   - No ..... ☐

4. Is there a rule that states how corrected data should be announced to users?
   - Yes ..... ☐
   - No ..... ☒

Indicator 6.4:
Information on the methods and procedures used by the statistical authority are publicly available.

5. For how many of your statistical outputs do you publish on your website information on the methods and procedures used?

	> 75%	25-75%	< 25%	none
Share of output	☒	☐	☐	☐

6. For how many of your statistical outputs is information on methods and procedures regularly updated?

	> 75%	25-75%	< 25%	none
Share of output	☒	☐	☐	☐

Indicator 6.5, please refer as well to "Timeliness and Punctuality":
Statistical release dates and times are pre -announced.

7. a Do you publish in advance a release calendar comprising your main statistical outputs?
   Yes ☒
   No ☐ **Skip to 8**
   b If yes, is there a procedure in place on how to revise this release calendar?
   Yes ☒
   No ☐

Indicator 6.6:
All users have equal access to statistical releases at the same time and any privileged pre-release access to any outside user is limited, controlled and published. In the event that leaks occur, pre-release arrangements should be revised so as to ensure impartiality.

8. a Do all users get access to statistical releases at the same time?
   Yes ☒ **Skip to 9**
   No ☐
   b If not, please, explain the reasons:

   c If not, please, specify the user group(s) and situations:

   d If not, is information about this pre-release access publicly available?
   Yes ☐
   No ☐

9. Have there been any occurrences of information divulged prior to its official release (leaks) during the last two years?
   Yes ☐
   No ☐

10. Do you have procedures in place to prevent leaks?
    Yes ☐
    No ☐

Indicator 6.7:
Statistical releases and statements made in Press Conferences are objective and nonpartisan.

11. Do you have procedures in place to ensure objectivity in the content of statistical releases, statements made in press conferences and similar related events?
    Yes ☐
    No ☐

12. a Have there been any subjective political statements included in statistical releases during the last two years?
    Yes ☐
    No ☒ Skip to 13

    b If yes, please specify:

Follow up:

13. Please state below the main area of strength with regard to your organisation's approach towards impartiality and objectivity:

14. Please state below the main area of weakness with regard to your organisation's approach towards impartiality and objectivity:

15. On the basis of the above mentioned indicators of the European Statistics Coce of Practice, please list below actions related to impartiality and objectivity you would like to take
    Actions and time frame

16. Please identify below possible improvement actions at European level suitable to serve your organisation's impartiality and objectivity:
    Actions and time frame

11. Relevance

European Statistics must meet the needs of users.

Indicator 11.1:
Processes are in place to consult users, monitor the relevance and practical utility of existing statistics in meeting their needs, and advise on their emerging needs and priorities.

1. Do you have procedures in place to identify and profile your users across domains?
   Yes ☒
   No ☐
2. Do you have formal processes to consult users about their statistical needs?
   Yes ☒
   No ☐
3. Does your organisation have a (or several) national user Council(s) in which the main users are represented?
   Yes ☒
   No ☐
4. Does your Statistical Law require user consultation?
   Yes ☐
   No ☒ **Skip to 5**
   If yes, please quote the text of relevant extract:

Indicator 11.2:
Priority needs are being met and reflected in the work programme.

5. Do you have procedures in place to prioritise between different users' needs in your work programme?
   Yes ☐
   No ☒
6. Have you signed Service Level Agreements (or such like) with your key users?
   Yes ☐
   No ☒

Indicator 11.3:
User satisfaction surveys are undertaken periodically.

7. a Do you carry out customer/user satisfaction surveys or studies with an office-wide scope on a regular basis?
   Yes ☐ irregularly
   No ☒ **Skip to 7**
   b If yes, please state frequency.
   c If yes, does your organisation compile a user satisfaction index?
   Yes ☐
   No ☒

15. Accessibility and Clarity

European Statistics should be presented in a clear and understandable form, disseminated in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.

Indicator 15.1:
Statistics are presented in a clear and understandable form.

1. Does the website of your organisation comply with the W3C Web Content Accessibility Guidelines?
   - a Yes ☐
     No ☐ **Skip to 2**
     Don't know ☐ **Skip to 2**
   - b If yes, which priority (for more information, please refer to the glossary)?
     1 ☐
     2 ☐
     3 ☐
2. Do you regularly test the usability of your website for different groups of users?
   Yes ☐
   No ☒
3. Is a statistical table usually accompanied by an explanation (explanation on how the statistics should be used, pointers to related statistical information, etc.)?
   Yes ☒
   No ☐
4. a Do you invite user comments on the content and presentation of your statistical outputs?
   Yes ☒
   No ☐ **Skip to 5**
   - b If yes, do you have active procedures in place to follow-up these user comments?
     Yes ☐
     No ☒
5. Do you offer training for your staff in ...
   - a ... writing press releases?
     Yes ☒
     No ☐
   - b ... dealing with the media?
     Yes ☐
     No ☒

Indicator 15.2:
Statistics are disseminated using modern information technology

6. What percentage of your statistical outputs is available via he internet?

	> 75%	25-75%	< 25%	none
Share of output	☐	☒	☐	☐

Attachment 11

Price indexes, produced by ARKS

❖ **Based on requested material for the Global Assessment in October 2007**

Индекси цен, производанные АРКС-ом	**Price indexes, produced by ARKS**
Индекс потребительских цен	Consumer price index
Индекс потребительских цен для групп населения с различным уровнем среднедушевых денежных доходов: – с наименьшими денежными доходами; – с наибольшими денежными доходами.	Consumer price index for group cluster population different standard of average per capita money income: – the least money income; – the greatest money income.
Индекс цен и тарифов на платные услуги	Price and tariff indices marketable services
Индекс розничных цен	Retail price index
Индекс цен предприятий-производителей промышленной продукции	Enterprise-produser price index for industrial products
Индекс цен на приобретенную продукцию производственно-технического назначения	Purchase price index for productive and technical produce
Индекс цен оптовых продаж	Wholesale trade prise index
Индекс цен предприятий-производителей на продукцию и услуги лесного хозяйства	Enterprise-produser price index for productive and services of forestry
Индекс цен экспортных поставок продукции	Price index for products exported from
Индекс цен импортных поступлений продукции	Price index of products imported
Индексы цен на строительные работы (услуги) методом «составляющих компонентов»	Price indices for construction work (services) method "components"
Индекс цен в строительстве по элементам технологической структуры: – индекс цен на строительно-монтажные работы; – индекс цен на машины и оборудования; – индекс цен на прочие работы и затраты.	Price index in construction technology structure on elements: – price index for construction and assembly works; – price index for machinery and equipment; – price index for other work and cost.
Индекс тарифов на перевозку грузов всеми видами транспорта	Index of freight tariffs by all types of transport

Индекс тарифов на услуги связи для юридических лиц	Index tariffs on services for corporate clients
Индекс цен реализации на продукцию сельского хозяйства	The price index agriculture sales
Индекс цен на продукцию, производственно-технического назначения, приобретенную сельскохозяйственными формированиями и оказанные им услуги	The price index for products, products, acquired agricultural groups and provided them with services