# Global Assessment of the National Statistical System of Kazakhstan

*Final Report*

*27/07/2017*

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## List of Abbreviations

| | |
|---|---|
| BOP | Balance of Payments |
| BPM6 | IMF's Balance of Payments Manual |
| CAPI | Computer-assisted personal interviewing |
| CATI | Computer-assisted telephone interviewing |
| CIS | Commonwealth of Independent States |
| CPA | Classification of Products by Activity |
| CPI | Consumer Price Index |
| CS | The Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan |
| EAEU | Eurasian Economic Union |
| EGSS | Environmental Goods and Services Sector |
| EU | European Union |
| GA | Global Assessment |
| GA2008 | Global Assessment of the Statistical System of the Republic of Kazakhstan. February 2008 |
| GDP | Gross Domestic Product |
| GFSM | IMF's Government Finance Statistics Manual |
| 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 |
| LFS | Labour Force Survey |
| LSS | Law of the Republic of Kazakhstan No 257-IV as of March 19, 2010 On State Statistics |
| MCI | Monthly Calculation Index (an index used for calculating pensions, allowances and other social payments in Kazakhstan) |
| NACE | The European Union's Classification of Economic Activities (Nomenclature Générale des Activités Économiques dans les Communautés Européennes) |
| NBRK | National Bank of Kazakhstan |
| 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 |
| SAQ | Self-Assessment Questionnaire |
| SDDS | Special Data Dissemination Standard |
| SDGs | Sustainable Development Goals |
| SEEA | System of Environmental-Economic Accounting |
| SNA | System of National Accounts |
| UN | United Nations |
| UNECE | United Nations Economic Commission for Europe |
| WHO | World Health Organization |

# Preface

The Global Assessment of the national statistical system of the Republic of Kazakhstan was undertaken in partnership between the United Nations Economic Commission for Europe (UNECE), the European Free Trade Association (EFTA) and Eurostat, the Statistical Office of the European Union. UNECE initiated the Global Assessment following a request by the Committee on Statistics (CS) of the Republic of Kazakhstan.

The assessment was conducted by the following experts: Mr Steven Vale (Regional Adviser, UNECE), who was the leading expert, Mr Jan Byfuglien (on behalf of EFTA), Mr Michael Nagy (UNECE), Mr Rami Peltola (UNECE), Mr Steinn Steinsson (Eurostat) and Mr Kurt Wass (on behalf of EFTA).

The Global Assessment findings are based on an extensive review performed during the assessment missions, which took place on 17-21 October 2016 and 14-16 March 2017 in Astana.

Prior to the first mission, CS staff completed a self-assessment questionnaire and returned it with other relevant supporting documents, which served as a starting point for the assessment. The results of the assessment are based on the analysis of documents provided by the CS, documents available on their web site, and information collected and discussed during the in-country missions. Additional information and documents were also provided by the CS when requested.

The collaboration between the Global Assessment team and the staff of the CS was positive and constructive throughout all phases of the work. The Global Assessment team would like to thank the CS management and staff for this.

## Executive Summary

This report contains the observations and recommendations of an international team of experts representing Eurostat (the statistical office of the European Union), EFTA (the European Free Trade Association) and UNECE (the United Nations Economic Commission for Europe). It is part of a programme of similar Global Assessments carried out in the countries of East and South-East Europe, the Caucasus and Central Asia.

A previous Global Assessment of the statistical system of Kazakhstan was conducted in 2008. A number of substantial improvements have been made since then, including:

- The Committee on Statistics (CS) is relatively well equipped with human and technical resources. It has received considerable professional support from abroad over the last years, mainly through the KAZSTAT project. There is a high degree of professionalism considering the relatively young staff at the CS central office.
- The legal framework for official statistics in Kazakhstan has been developing and many of the ideas of the United Nations Fundamental Principles of Official Statistics have been included. One area that has been improved since 2008 is that the CS now has a stronger legal mandate for access to and use of administrative data. Public authorities are also obliged to use national statistical classifications in their activities, contributing to consistency and comparability with international standards.
- There has also been increasing focus on quality management, demonstrated by the introduction of ISO certification.
- There have been several positive developments in the area of dissemination, providing new tools and possibilities, including the "Taldau" information-analytical system.
- The CS is increasingly active in international cooperation particularly in the Central Asia region.
- There is good coverage of all main statistical areas, including developing topics such as environment statistics and the System of Environmental-Economic Accounting.
- Statistical methodology has improved in several areas, accompanied by improved documentation and the introduction of a plan of systematic quality reporting.
- There is increasing use of international standards in the national statistical system of Kazakhstan, bringing greater comparability of Kazakh statistics with those of other countries.

However, as for all national statistical systems, there are still several challenges to be addressed. This report contains over 100 recommendations for improvements. Many of these are at a detailed technical level, often for specific statistical domains. However, the main strategic and organisational issues identified are the following:

### *1. Professional independence*

The main issue identified by the Global Assessment team is that the present organisational setup, with the national statistical organisation as a committee within a ministry, does not provide a strong enough guarantee of professional independence for the main body producing official statistics. This is damaging to the public image of official statistics, which should be seen as being independent from political influence, and is contrary to the United Nations Fundamental Principles of Official Statistics. Thus it is urgent that an independent statistical organisation is re-established. Furthermore, the full professional independence of those producing official statistics in other government bodies should be ensured.

### *2. Legal framework*

There are also other amendments to the legal framework that should be introduced especially to clarify the criteria for what should be considered to be official statistics, and who are the producers of official statistics. It is also important to study the relationship between the Law on state statistics and other laws to ensure there are no contradictions, and to incorporate in a revised Law on state statistics, references to other legislation on issues such as on confidentiality, dissemination and sanctions for non-response to statistical surveys. The role of the CS in relation to coordination of the whole system of official statistics in Kazakhstan should be strengthened. The CS should be given a clear legal basis for quality control of all official statistics. As part of this process it might be useful to develop a national code of practice – based on the United Nations Fundamental Principles of Official Statistics and the European Statistics Code of Practice. This national code of practice should be followed by all those who want to be considered producers of official statistics. A council of producers of official statistics should be established to enhance cooperation and implementation of best practice.

### *3. Clearer separation of statistical and administrative activities*

The borderlines between the collection of administrative data and statistical surveys are not fully transparent, particularly when it comes to legal basis and the criteria for inclusion in the annual programme of official statistics. This mainly affects statistical activities in other government agencies, and is closely linked to need to clarify the scope of official statistics, discussed in the point above.

### *4. Improving methodological capabilities*

There is a need to further develop capabilities in statistical methodology in all parts of the CS, and especially at the central office. This implies establishing a methodological unit, recruiting staff with the relevant education, and more systematic training in topics relevant for a statistical office. A training programme in statistical methodology should be developed for the CS, including the regional offices and the Information Computing Centre.

### *5. Organisational structure and division of labour*

There is a need to perform an in-depth evaluation of the organisational structure of the CS, including the central office, the regional offices and the Information Computing Centre. New technological developments and the introduction of the Generic Statistical Business Process Model, and other new and more efficient working practices, mean that new capabilities are needed. The division of labour and responsibilities between the central and regional offices should be reviewed. If full professional independence is restored, a merger of the CS and the Information Computing Centre should be foreseen, so that information technology resources and tools can be used in the most efficient way.

### *6. Dissemination of statistical information*

Many important improvements have been achieved during the last few years in the field of statistical information dissemination, however there is still room for improvement. It is especially important to improve the timeliness of updating the Taldau information-analytical system, and to improve documentation in general and especially in English.

### *7. Statistical council*

As part of improving the relationship with users of official statistics it is important to re-establish a statistical council representing important user groups. Such a statistical council would help to support the strategic development of official statistics in Kazakhstan, to ensure that they meet user needs.

### *8. Increased flexibility*

In the context of increased professional independence, the CS should have greater flexibility in organisational and management matters, including budgeting, multi-annual development strategies, working hours, human resource management, etc.

### *9. English language training*

The CS should increase opportunities for staff to improve their linguistic skills, particularly in English. This will help to facilitate international contacts and access to reference materials and international best practices.

In summary, there has been clear and substantial progress in the national statistical system of Kazakhstan since the previous Global Assessment in 2008. The CS is reaching the point where it can become a net supplier rather than recipient of technical assistance in several areas of official statistics. The increasingly strong position of the CS means that it is able to take on a regional leadership role, providing greater support to neighbouring countries. The proposed statistical training centre in Almaty will be an important step towards this goal.

# Chapter 1. Professional Independence

The 2008 Global Assessment (GA2008) expressed some concerns regarding the legal formulations protecting the professional independence of the Agency of the Republic of Kazakhstan on Statistics (ARKS), now Committee on Statistics (CS), as well as other producers of official statistics. Thus, the GA2008 proposed a revision of the law, to improve the legal protection of the professional independence both of the CS and the statistical departments of other producers.

In the new Law of the Republic of Kazakhstan "On State Statistics" (March 2010), professional independence is handled in several articles:

Article 5. "State Statistics Principles", subparagraph 2: *Professional independence and autonomy when performing statistical activities;*

Article 14. "Authorized Agency", paragraph 1: *The authorized agency is independent from the professional point of view including the development and approval of statistical methodology.*

Article 15. "Ensuring Independence of the Authorized Agency" clarifies what is meant by independence of the CS: *The independence of the authorized body shall be ensured by the following:*

1) *Impermissibility of unlawful interference of the government bodies and the officials thereof, and any other organizations with the activities of the authorized agency;*
2) *Establishment of adequate financial, material and technical, and organizational conditions for the authorized agency to perform its activities.*

Thus, the concept of independence of the CS (the Authorized Agency) appears relatively well formulated in the new law. The self-assessment also argues that all questions for all indicators in the field of professional independence are fully implemented – referring to the law. The formulations in the present law are also considered as a main area of strength.

However, in the Self-Assessment Questionnaire (SAQ), it is indicated as a weakness that the CS has difficulty in getting access to some administrative sources (see Chapter 2). It is also indicated that some users have doubts about the real independence of CS due to its present position as institution of the Ministry of National Economy of the Republic of Kazakhstan.

The concerns about the present administrative position as a committee within the Ministry of National Economy were also raised by representatives of users and international organisations. This was seen as a potential threat to the professional independence of the CS, even if no concrete examples were provided on direct outside influence on statistical products. Representatives from junior staff said that they had experienced no change in their daily work when the previous Agency of Statistics became a committee of the Ministry of National Economy, though some staff noted that approval processes had become more cumbersome.

### Assessment and Recommendations

When reviewing the present law and practices in more detail, several issues create doubts about the real independence of the CS, even if there have been some improvements in the legislation in recent years:

Article 11 says that the government has the power to develop guidelines on the state statistics policy (paragraph 1). Until an amendment of the Law on State Statistics in 2014 the government also had the power to coordinate the activities within the national statistical

system. However, this is now transferred to the CS (Article 12-1), thus strengthening the coordinating role of the CS. Furthermore, some recent additions to Article 12 on the competences of the authorized body provide improved tools for coordination related to statistical processes in general, classifications and metadata (paragraphs 11-13).

Furthermore there are a number of tasks mentioned related to legal acts, statistical methodology and statistical surveys and censuses. Subparagraph 23 of Article 12 seems to allow for other tasks and instructions not listed in the statistics law: “perform other functions envisaged by this Law, other laws of the Republic of Kazakhstan, acts by the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan”.

Concrete examples on the lack of professional independence are:

- The practice to mention the Ministry of National Economy together with the CS in statistical publications and in the official logo of the CS.
- The practice that the press conferences are held by the Minister and not by the CS.
- The fact that there are no separate strategies for the CS in areas such as recruitment, but only for the level of the Ministry.

Thus, it is obvious to the assessors that the institutional status of the CS should be changed. It will need to become more independent from the Ministry of National Economy in order to ensure full professional independence.

Some topics related to the production of official statistics are not yet well covered in the present LSS but covered in separate orders/decrees/legal acts. These topics include confidentiality, handling of administrative fines, dissemination and rules and procedures related to the professional and independent appointment and dismissal of the Chairman. .

Rules related to the appointment/dismissal of the Chairman are important indicators of professional independence (raised in GA2008). In the self-assessment it is argued that the indicators in this area are fully implemented, referring to the Law on State Service of the Republic of Kazakhstan (November 2015) as well as rules on conclusion, extension and termination of the employment contract with administrative civil servants of corps “A”. According to the latter, the appointment is for a fixed term period of 4 years, unless some other period is provided by law and acts of the President of Kazakhstan, with the possibility to be renewed once. The main list contains several basic principles such as legitimacy, Kazakh patriotism, efficiency, professionalism, accountability, meritocracy, etc.

It is difficult to assess whether the indicators related to appointment/dismissal of the president can be considered as fully implemented. Thus, it would strengthen the perception of independence if these rules and procedures were also included in the LSS.

The issue of professional independence of the production of statistics was also raised in discussions with other producers of state statistics. All producers met were from ministries, where the collection of data and the production of statistics are closely integrated with other activities of the ministry. Thus, they are primarily collectors of administrative information, and the LSS is, to some extent, not relevant to them (even though it is sometimes referred to).

This issue relates to a lack of clear boundaries between administrative and statistical data collection, which is further discussed in Chapter 2. The question is also whether those ministries really can be considered as producers of official statistics in the sense of the UN Fundamental Principles. The impression was that there is, in principle, professional independence in the collection and handling of primary data. However, when it comes to data dissemination, and especially writing of comments/press releases the independence appears

less obvious. For example, a common practice includes approval of the most important press releases by the Minister.

It can be mentioned that the National Bank of the Republic of Kazakhstan is in a different situation, as it is independent in its activities within the limits of the powers granted to it by the laws of the Republic of Kazakhstan and acts of the President of the Republic of Kazakhstan (Article 21 of the Law "On the NBRK"). The NBRK, however, is subject to the general requirements of the Law of the Republic of Kazakhstan "On Legal Acts" in the process of developing, agreeing, approving and adopting normative legal and legislative acts. The specified Law establishes, among other things, the requirements for the design of the legal acts and the design of administrative reporting forms.

The specific situation of the National Bank has implications for its role as a partner in the national statistical system that will be further discussed in chapters 2 and 14. An issue is for instance whether all or some of the surveys that are performed by the National Bank, and included in the Plan of statistical surveys, really are official statistics as they are not collected based on the Law on State Statistics, but based on specific acts, and some of them might be of a more administrative/monitoring character.

The Global Assessment team has the following recommendations:

1.1 Change the status of the Committee on Statistics to an “independent national statistical institute/agency on statistics”. A change is an absolute requirement to ensure professional independence, and to maintain and develop the public image of the CS as an independent body.

1.2 The Law on State Statistics (LSS) should be reviewed to bring it more in line with the formulations of the UN Fundamental Principles of Official Statistics related to professional independence. It is also important to ensure that the products produced by other authorities, that are considered to be official statistics, benefit from the same degree of independence.

1.3 The revised LSS should clarify which agencies qualify as producers of official statistics, and what rules and procedures should be established to certify official statistics – as distinct from administrative data or non-official statistics. Those who want to be accepted as producers of official statistics should preferably subscribe to a national code of practice.

1.4 The revised LSS should specify the competences of the government in relation to the statistical institute in a clearer way, to ensure that the independent and professional role of the statistical institute is respected, also in relation to coordination of the national statistical system and in relation to dissemination of statistical information.

1.5 The revised LSS should consolidate legislation by including or referring to other orders/laws that are relevant for a full understanding of the rules and procedures related to the production of official statistics (confidentiality, data collection – forms and administrative fines, dissemination etc.). It is also recommended to include the main qualifications and procedures for the appointment/dismissal of the president of the CS.

# Chapter 2. Mandate for Data Collection

One of the main weaknesses of the previous statistical law noted in the GA2008, was that there was no clear separation between statistical and non-statistical purposes concerning data collection, confidentiality, data processing and dissemination. As a consequence, the borderline that should separate the system of official statistics from other parts of the administration was blurred.

The question whether the current Law on State Statistics (LSS), and the present practice, provides a better separation between statistical and administrative data collection, is treated under this chapter even if it has links to other topics, such as scope, definition of concepts and planning of the annual programme of surveys. This chapter also considers whether tasks related to official statistics and administration are sufficiently separate within other government bodies.

Paragraph 1 of Article 3 of the LSS says that: "the Law *is valid on the territory of the Republic of Kazakhstan and applies to relations connected with the process of production and dissemination of statistical information"*.

Statistical information is defined in paragraph 13 of Article 1: *"Statistical information" shall mean the aggregated data obtained when processing primary statistical data and/or administrative data;*

The concept of 'statistical information' used as the main concept in the law, is thus rather general, and can in principle cover different activities related to the collection of data for different purposes.

It is often used in combination with 'state' and sometimes in combination with 'official'. Article 1 paragraph 6 states that *"State statistics" shall mean production of statistical information;*

In paragraph 9 of the same article there seems to be a precision, where it is said that: *"Official statistics" shall mean the statistical information produced by state statistical agencies in accordance with the plan of statistical activities;*

The ambiguity between different concepts of "state statistics" and "official statistics" exists in several articles; Article 5, paragraph 3 refers to equal access to official statistical information. Also in paragraph 6 the quality requirements are related to official statistical information. On the other hand, paragraph 1 on international comparability refers to 'state statistics' and paragraph 2 on independence, to 'statistical activities'.

The information from the two other producers who filled out the self-assessment questionnaire (SAQ), appears to confirm this lack of a clear borderline between official statistics and administrative data. The Ministry of Education refers to the LSS as a basis for data collection, but also refers to an Order of the Ministry approving the forms of administrative data. Extracts from this data collection activity are transmitted to CS. Also, when discussing confidentiality, the LSS is referred to.

It was confirmed by all the ministries met, that the data collection they perform is based on specific orders or legal acts and that the main purpose is to use the data for administrative purposes. In some cases they referred to the LSS, but mainly to the guidelines for state statistics. It was also confirmed that these administrative surveys were a part of the national programme on state statistics, as can be seen in the plan of statistical works for 2017.

In the overview of statistical forms (see Chapter 14.1) it is said that the Ministry of Health has four forms, but the Ministry of Education has no statistical forms. This is not confirmed in the

SAQ, where both ministries appear only to collect administrative data based on specific legal acts.

In the plan of statistical works 2017 there are registered five forms (surveys) related to education statistics, and four forms related to health statistics. It is not specified in this part of the plan (Section 1 Statistical observations) which authority collects the data, but the impression is that the forms mentioned under education and health are administrative forms, collected by the respective ministries. In any case, there are some inconsistencies that should be clarified.

Furthermore, there is a subchapter of Section 1, Statistical observations, in the plan, called 'Institutional statistical observations'. 'Institutional observation' is normally outside the scope of official statistics, and the principles that should guide the production of official statistics, for instance related to confidentiality and the use of statistical data only for statistical purposes. Even if the results of such surveys might be used as a source for official statistics, provided that some quality requirements are fulfilled, the survey as such should not be part of a plan of official statistics.

These observations appear to confirm that there still is a mixture of statistical surveys, based on the law of state statistics, and administrative surveys, based on specific orders, in the plan of statistical activities, and that there is no clear separation of administrative surveys/sources and statistical surveys.

The case of the National Bank also illustrates this situation; in the plan of statistical works 2017 there are 29 surveys under the heading 'Institutional observations' and most seem to be related more to supervision, than to the collection of official statistics. In any case, the collection of these data seems to be based on specific laws handled by the National Bank. In addition the National bank is responsible for 26 surveys, some of which, normally should be considered official statistics, such as Balance of payments.

At present the CS has the role of controlling and approving all forms used also for administrative data collection. Although this seems to go somewhat beyond the normal role of a national statistical organisation, the CS considers it is a useful way to avoid duplication of surveys, and to improve efficiency.

However, the National Bank considers this function of the CS to be fundamentally wrong as it takes the role of the Ministry of Justice, and considers that administrative forms are normally regulated in the specific legal acts.

Article 16, paragraph 2, illustrates the ambiguity of the present law regarding the relationship between official statistics and administrative data. The maintenance of household accounting information is under an article on administrative sources, but in fact it is the CS that is in charge of the methodology and also receives the data.

Paragraph 3 of Article 16 is important in relation to the obligation to provide data to the CS and the possible influence on administrative registers and forms.

In the SAQ, it is noted as a weakness that data from administrative sources are below standard and untimely. However, it was mentioned that a recently added subparagraph (24) to Article 12 of the Law on state statistics, has strengthened the competence of CS to exercise state control in the field of state statistics with the right to conduct audits and other forms of control with respect to administrative sources.

The state control is carried out with the purpose of revealing:

1) Uncoordinated forms intended for the collection of administrative data;

2) Uncoordinated methods for calculating indicators;

3) Reliability of administrative data submitted by administrative sources;

4) Reliability of household accounting data.

In addition, criteria for assessing the degree of risk in the field of state statistics have been developed, which allow identifying unreliable administrative data submitted to the CS through comparison with administrative data from official sources.

The SAQ response says that indicator 2.1 “mandate specified in law” is fully implemented mainly by referring to the following paragraphs of Article 12:

The authorized agency shall perform the following:

*8) Develop and approve the procedure for primary statistical data to be submitted by respondents;*

*10) Receive primary statistical data from respondents on a free-of-charge basis;*

*11) Receive the required primary statistical data from households concerning their income and expenditure in return for a consideration or on a free-of-charge basis;*

The CS is in the position to use administrative data for statistical purposes, under Article 16 of the LSS.

The obligation to reply to surveys is stipulated in Article 17, paragraph 2: *Respondents are required to provide reliable primary statistical data and comply with the requirements of the state statistical agencies*.

Article 27 of the LSS states that violation of the legislation of the Republic of Kazakhstan in the field of State statistics entails responsibility, established by the laws of the Republic of Kazakhstan. There is a system of sanctions in place in case of refusals to supply data. However, this is not covered in the present law, but in an Article in a code on ‘Administrative offences’ from 2014. Fines are issued if the respondent fails to submit primary statistical data within the stated time. Fines are handled by the territorial offices, and there is no procedure for warning, but direct issue of fines for non-response by the date given. There were around 9000 fines issued for businesses due to late response in 2016. Fines can in principle also be given for providing unreliable data, but this is seldom applied.

The procedure describing under what conditions and to whom administrative fines will be issued, does not appear to be well formulated. In general it would be more transparent to include provisions for the use of fines in the statistical law.

It is mentioned as a strength that the authorized body in the field of state statistics (CS) considers cases on administrative offenses in accordance with Article 719 of the Code of the Republic of Kazakhstan "On Administrative Offences" of July 5, 2014.

However, the situation where a code on administrative offences is the same for statistical and administrative surveys can also be harmful to the image of official statistics. It increases the likelihood that responders will see the CS as being the same as a public supervisory and administrative authority. An approach that makes official statistics seem more distinct, as implemented by other countries, might be considered

**Assessment and Recommendations**

In general, the mandate for data collection appears to be rather strong, both for access to administrative sources and for collecting data from individual respondents. However there seems to be a strong need to clarify the scope of the law and the differences between official

statistics and administrative data, also in practice in the plan of statistical activities. This is closely linked to the issue of clarifying the content and the borderline of the national statistical system (see chapters 1 and 14).

The terms “state statistics” and “official statistics” are both used in the current legislation. It would be helpful to clarify the distinction between these terms.

There are some limits to access to administrative data, especially for information constituting bank secrecy, detailed tax information, or information considered to be state secrets, protected by national legislation.

The Global Assessment team recommends the following:

2.1 In a revised Law on State Statistics (or rather Official Statistics) the boundary between the collection of administrative data and statistical data should be clarified, both by specifying the principles underlying the production of official statistics, and in the annual programming.

2.2 The procedures concerning quality assessment and feedback by the CS on the quality of data from administrative sources could be improved and possibly integrated in cooperation agreements.

2.3 The CS should develop a strategy or a programme for improvement and increased use of administrative sources, for instance by addressing such as:

- What are the major challenges and priorities?
- What are the actions necessary in order to achieve improved coverage and quality?
- How can administrative data help to improve sample surveys and future censuses?

2.4 In general, the CS and the statistical system as a whole, could benefit from a national strategy for use and combination of administrative data for statistical purposes; what should be the priorities? How can quality be improved? How can administrative sources replace censuses fully or partly in future?

2.5 The revised LSS should also include provisions for handling so-called administrative fines in order to improve transparency, equal treatment and an approach adapted to the collection of official statistics.

# Chapter 3. Adequacy of Resources

The number of staff (positions) available for the CS, including the Information Computing Centre are shown in the following table:

***Table 1: Number of staff (positions) 2009-2016***

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|
| Central office | 254 | 260 | 321 | 321 | 321 | 287 | 287 | 290 |
| Territorial offices | 2849 | 2849 | 2849 | 2849 | 2571 | 2560 | 2560 | 2557 |
| Information Computing centre | 1111 | 1095 | 1095 | 1038 | 1038 | 1068 | 1070 | 928 |
| Total | 4214 | 4204 | 4265 | 4208 | 3930 | 3915 | 3917 | 3775 |

In addition, there are 1400 field interviewers engaged on a temporary basis.

The actual number of staff is somewhat lower that the number of positions due to turnover and temporary vacancies. The number of persons leaving the CS for different reasons was 12 percent in 2015 and 13 percent in 2016. These figures are considered as acceptable and relatively positive compared to other state bodies.

In 2015 the CS employed 48 new staff members, and 31 in 2016.

According to the presentation and the 2016 annual report, 39 percent of the employees are under 30 years old. Only 7 percent are 51 years and older. The average age of civil servants in the CS is 33 years. This means that the CS has a very young staff compared to other countries and also with a relatively short work experience. The main reason for this is the relocation of the central office from Almaty to Astana.

All civil servants in the central office of the CS have higher education, equivalent to at least a bachelor degree. Of these, 77 percent have higher education in economics.

2275 state employees (or 92 percent) of territorial bodies have higher education, 170 state employees - secondary vocational education. 345 people (or 13 percent) have more than one higher education qualification.

Around 85 percent of the staff of the Astana Department of Statistics have a bachelor degree or higher.

As a comment to indicator 3.1 in SAQ, it is said that the average length of service and the level of qualifications of employees in the central office is higher than in the regions. A significant part of the workforce connected to the regional offices work on a temporary basis in order to carry out certain surveys.

Graduates in the relevant academic disciplines are recruited based on the terms and conditions of employment of civil servants set in the law "On State Service of the Republic of Kazakhstan" dated November 23, 2015. Qualification requirements are formed in accordance with this Law as well as Order of the Chairman of the Agency for Civil Service Affairs and Anti-corruption. The law includes rules for training and disciplinary sanctions, rules for job description, the use of mentors and rules of the contest for jobs and evaluation of civil servants.

The new law on state service from 2015 introduced some new concepts related to competence, bonuses and allowances. The career model is built on recruitment through competitive selection for the primary job – called grass-roots position. Employees can advance their careers from there.

The competitive selection is based on testing candidates on required competences and knowledge of state legislation and assessment of the personal qualities of the candidates, and on interviewing the potential candidate on core knowledge and skills.

Candidates must pass a special audit of the national security agencies. After the positive conclusion of this audit, employees are appointed for a probationary period of three months. During this period a mentor is assigned for the newly appointed employee, and the employee prepares an individual plan for adaptation to work. If the probation period is not satisfactory, the trial period is extended by three months without a subsequent renewal.

For vacant positions, there can either be a selection among civil servants internal to the CS, among civil servants of all state bodies or by using general competition open for all.

The junior staff met seemed to be happy with the way they had been introduced to the CS with the help of a mentor and a development program. They confirmed that the requirement to pass the test on legislation could be demanding.

It was discussed whether the general civil recruitment procedure could ensure that the CS got staff with the specific qualifications for their different fields of knowledge, and it was especially asked whether broad knowledge in the field of legislation is particularly relevant as a key test for staff of a professional statistical agency, rather than for instance statistical and numeric skills. The answer to this question was that the CS had to follow the general rules for civil servants.

It is also important to note that the staff of the Information Computing Centre are not civil servants and it can follow its own recruitment procedures and implement its own training. However, according to the current legislation of the Republic of Kazakhstan employees of the Information Computing Centre have the opportunity to undergo training.

In the field of training of staff, the SAQ stated that this is fully implemented referring to the law on state service as well as a presidential decree on training.

It was also mentioned that a master’s degree programme has started on "State Statistics" at the Academy of Public Administration, where statisticians can improve their qualifications and obtain a master's degree in statistics.

Also, all public servants in the CS can take refresher courses and advanced training. Upon request by the CS, the Academy is able to provide specific training, adapted to the statistical needs of the organization.

Training of new employees is carried out both at the Academy and in the regional centres. The duration of training is not more than 120 academic hours. Civil servants of corps "A" pass additional training at least once every three years in an area corresponding to their official duties.

However, it was admitted in the self-assessment that a relevant structure for training only is partly implemented, and there seemed also some doubts to what extent training was encouraged in the organisation. On the other hand it was argued that staff skills are updated and that attendance of staff to training courses is encouraged, referring to the law on state service.

In 2015, altogether 738 persons received training. Of these 634 were trained in professional skills, of which 13 at the central office and 621 at the regional offices. 104 persons had attended general retraining of civil servants, of which 18 from the central office, and 86 from regional offices.

In 2016, a total of 883 people received training, of which 18 in the central office and 849 in the regional offices. 16 people received re-training courses, 10 of them in the central office, and 6 in the regional offices.

There is an annual plan of workshops and seminars, organized by the departments of the central office for the staff of the regional offices.

The KAZSTAT project included a training component. In 2014-2015, 116 employees were trained in the English language and four training courses were conducted on the development of presentation skills, change management and strategic leadership. A training room with necessary computers was equipped by this project.

There are no plans for implementing e-learning, for instance in order to improve training at the regional offices.

In general, training appears to rather systematic for civil servants, probably focusing on more legal and administrative topics. However, there seemed to be no systematic evaluation of training needs within CS, there was no strategy or plan for training activity adapted to the needs of CS - including the Information Computing Centre - and there was no specific budget for training.

There is a training plan, which is approved annually in accordance with the requested themes for training at Academy, mainly on legal and administrative issues.

In 2017 the Academy plan included four topics on statistics for employees of the central and regional offices.

The Information Computing Centre (ICC) conducts the training of its employees independently. Training for workers of the ICC is held periodically. The purchase of training services is carried out through the web portal of public procurement in accordance with the Law of the Republic of Kazakhstan "On Public Procurement". Basically, training takes place in private commercial organizations.

The budget programme of the Ministry of National Economy related to the CS consists of the following three main budget lines with subdivisions:

- 001 "Services for the formation and development of economic, trade policy, consumer protection policy, regulation of natural monopolies and in the field of statistical activities, ensuring competition protection, coordinating activities in the field of regional development and enterprise development", which includes such Expenses as salaries, transportation services, maintenance of buildings, business trips, purchase of cartridges and toners, maintenance of computer equipment, purchased Vehicles and equipment, and consisting of the following subprograms:
    - 100 "Ensuring the activities of the authorized body for the formation and development of economic, trade policy, consumer protection policy, regulation of natural monopolies and in the field of statistical activities, ensuring competition protection, coordinating activities in the field of regional development and entrepreneurship development";
    - 104 "Maintenance of the functioning of information systems and information and technical support of a public authority";

    - 111 Overhaul expenditures of the Ministry of National Economy Republic of Kazakhstan
    - 015 "Strengthening of the national statistical system of the Republic of Kazakhstan", covering the costs of consulting services, training, procurement of goods and operating expenses, taxes and fees, and consisting of the following subprograms:004 Through external loans
- 016 "Due to co-financing of external Loans from the Republican Budget"
- 081 "Ensuring the provision of statistical information", which covers the printing of statistical reporting forms, the publication of statistical publications (collections, bulletins), the input and processing of statistical data at the regional and national levels, and 10 sampling surveys, and consists of:
    - 100 "Services for the collection, processing and dissemination of statistical data".

The budget for the corresponding three-year period is approved by the Law of the Republic of Kazakhstan. In this regard, the redistribution of funds between budget lines is not allowed.

It is permitted to redistribute funds between budget subprograms within the same budget programme within the limits of the annual amounts under the budget program.

It is not allowed to redistribute funds within one budget programme (subprogram) of loans, grants financed from funds, and others.

Expenses for the ICC are reflected in sub-programme 104 "Ensuring the functioning of information systems and information and technical support of government agencies" programme 001 "Ensuring the activities of the authorized body for the formation and development of economic, trade policies, policies in the protection of consumer rights and sanitary and epidemiological well-being Population, regulation of activities of natural monopolies and in the field of statistical activities, ensuring the protection of competition, coordination Activities in the field of regional development, construction, housing and communal services, enterprise development and land management ", 006" Conduction of the national census of the Republic of Kazakhstan ", 012" Creation and development of the integrated system "e-Statistics", sub-programme 100 "Collection services , Processing and dissemination of statistical data "programme 081" Ensuring the presentation of statistical information".

Figure 1. The budget of the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan and the Republican State Enterprise "Information Computing Centre of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan" from 2009 to 2016, million euro.

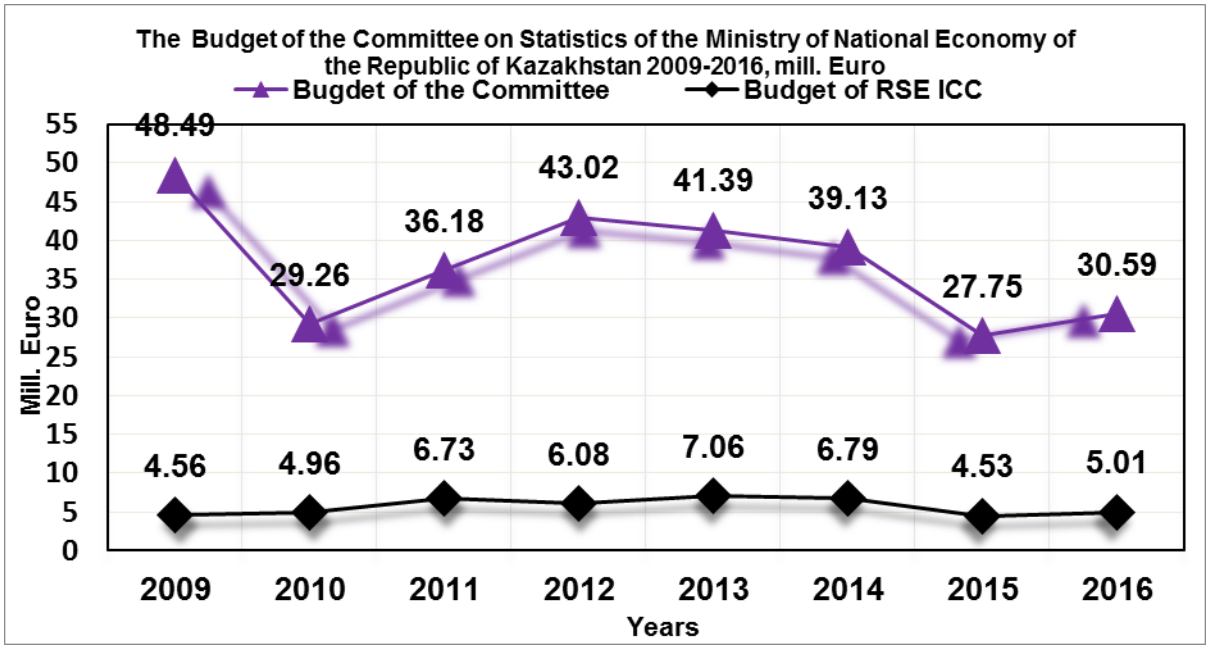
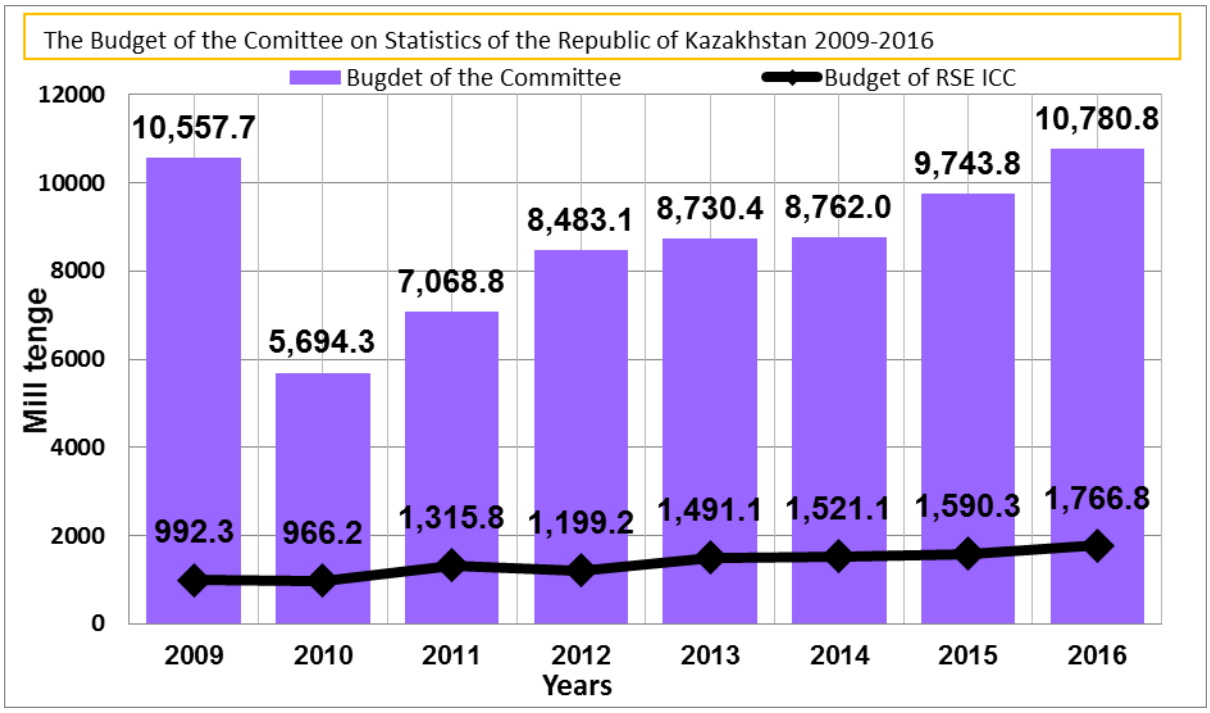



Figure 2. Budget of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan and the RSE "Information and Computing Center of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan" from 2009 to 2016, million Tenge.



Differences in the trends of the budgets expressed in Euros and Tenge are due to changes in exchange rates. When calculating in thousand Tenge, the dynamics of the annual increase in the Committee's budget from 2010 to 2016 is noticeable. The 2009 budget is almost equal to the 2016 budget because the national census of the population of Kazakhstan was held in 2009. Most of the external loan for the development of the KAZSTAT project from the World Bank fell on this period. The total amount of the external loan was $20 million.

At the same time, salaries of civil servants increased by 50 percent in 2013 and 30 percent in 2016, while the number of employees of the CS and its territorial bodies decreased. For example, according to Table 1 in 2009, the number of employees was 3,103 with an annual salary cost of 17.16 million Euro,

In 2016 this figure was 2,847 units with an annual cost of 15.57 million euro – a reduction of 256 employees (8.3 percent). This is due to the fact that in 2014 by the Decree of the President of the Republic of Kazakhstan, the Agency of the Republic of Kazakhstan on Statistics was reorganized by transferring its functions to the Ministry of National Economy. In this connection, the structure of the CS has undergone significant changes: thus around 80 relatively senior positions were abolished or downgraded, which led to a decrease in average salaries for CS employees.

**Assessment and Recommendations**

There are some contradictions in the information received in the SAQ and during the visit regarding the adequacy of financial and human resources: on one hand it is said that resources are adequate, on the other hand, there are complaints about lack of human resources – mainly due to the relatively low wage.

In reality, the number of positions at both the central office and the territorial offices has been reduced by around 10 percent from 2011 to 2016. Thus the human resource base appears to be shrinking without any major shift between the territorial offices and the central office, as might be expected due to changing tools and methods for data collection and processing. At the same time the number of positions with the Information Computing Centre has been reduced by almost 500 (11 percent) since 2012, which might be expected due to less work on manual data processing.

The Global Assessment team recommends the following:

3.1 The CS should have more control over the use of the budget, as this now seems to be rather centralized within the Ministry of Economy. This proposal is linked to chapter 1 on Professional Independence, and the recommendations under that chapter.

3.2 The CS management should carry out a strategic analysis concerning future budget allocations and also organizational development, in order to be able to make adjustments of staff composition and division of labour between different organizational units, including the Information Computing Centre.

3.3 The CS should evaluate to what extent the present solution for staff recruitment is efficient to meet the specific needs of the organisation, and to make efforts to adapt the recruitment process to their needs.

3.4 The CS should develop a plan/strategy for training of all staff involved in statistical production – including the Information Computing Centre. This should be a rolling programme to map training needs as well as an annual training plan. A part of this should also be plans to make use of e-leaning in order to improve efficiency of training in specific areas

and for territorial offices. To implement a training programme a specific budget for this activity will be necessary.

3.5 Training in the English language, as suggested in GA2008, should be continued and strengthened.

## Chapter 4. Commitment to Quality

To improve the quality of statistical activities the CS has implemented a Quality Management System (QMS) corresponding to the ISO 9001:2008 standard. The CS and 16 regional statistical offices now have ISO 9001:2008 certification. Each year, they undergo an inspection / re-certification audit to confirm compliance of the QMS with the requirements of ISO 9001:2008. Based on the results of the audit, the QMS compliance confirmation agency provides a report that contains recommendations for further QMS improvement.

Plans are in place to move to the updated ISO 9001:2015 standard during 2017.

Quality reporting for surveys is being introduced. Pilot reports were produced for the 2015 surveys on ICT use by households and enterprises. Similar quality reports will be introduced for other surveys by 2018, following the format of the European Statistical System Single Integrated Metadata Structure (SIMS)

Quality reports are also compiled and sent to the Eurasian Economic Commission on foreign trade statistics. These reports will be improved based on the experience of EU countries, in particular, Germany.

Quality reports are at the implementation stage, however, not all key quality indicators are indicated in the surveys, an example being response rates.

The Generic Statistical Business Process Model (GSBPM) is starting to be used as a basis for describing statistical processes.

Meeting users' needs for high-quality statistical information was identified as a goal in the development of the strategic plan. An annual user survey is conducted, which assesses user perceptions of quality. In 2016, there were 1646 respondents, of which:

- 42 percent were representatives of state institutions
- 23 percent were representatives of business structures
- 19 percent were representatives of educational institutions
- 16 percent were representatives of other categories

71 percent of respondents were satisfied with the volume of published information, and 83 percent of users had a high level of trust in state statistics.

The survey is carried out at the level of the central office of the CS, as well as at the level of the territorial departments of statistics, within the framework of the Open Doors Day. Based on the results of the survey, a report is generated, which is brought to the attention of the management of the CS and all employees for further improvement of statistical activities. In addition, this survey provides user suggestions for the further improvement of statistical activities.

The CS also collects information from survey respondents on their experience of the data collection process. This is used to help revise questionnaires.

Questions of quality assurance are the responsibility of the Office of Planning and Statistical Activities. There is internal quality training for employees. Implementation of quality assurance tools is planned. There are plans to introduce methodological audits and self-assessments in 2017-2018, based on a study of best practices in other countries.

The CS has developed a Quality Manual, including key documents on quality management and basic principles of quality assurance. This was revised and updated in 2015, and is available on the CS web site: www.stat.gov.kz. There are plans to translate this into English when resources are available.

Procedures are in place for assessing and checking the quality of administrative data, once a year based on Order № 795, issued by the Minister of National Economy of the Republic of Kazakhstan, dated December 26, 2015. However, in several subject-matter areas, the quality of administrative data was raised as an issue.

Procedures are also in place for assessing and validating new questionnaires, involving relevant experts, respondents, representatives of interested state bodies, and the National Chamber of Entrepreneurs of Kazakhstan. Data collected are analysed for their relevance, necessity and possible overlaps with other statistical and administrative sources. The CS plans to introduce a room for pre-testing questionnaires, along the lines of questionnaire "laboratories" found in some other statistical organisations.

The CS, in cooperation with other producers of official statistics, has developed and approved a standard methodology for describing the process of production of statistical information by state bodies. This applies to state bodies, including the National Bank, conducting state and departmental statistical observations in accordance with the annual plan of statistical works.

**Assessment and Recommendations**

Overall, a lot of progress has been made regarding commitment to quality. This was at least partly a result of the KAZSTAT project. In several areas, international best practices have been studied and adapted to the requirements of the CS. ISO 9001:2008 accreditation is an important indication that the CS takes quality seriously.

However, the lack of coherent, organisation-wide systems of methodological audits and quality reports should be addressed. This would be facilitated by the creation of a dedicated unit for quality control and quality management.

The Global Assessment team recommends:

4.1 The CS should continue to implement and update a quality framework, preferably based on ISO9001:2015.

4.2 The CS should continue with the implementation of statistical process descriptions based on the GSBPM.

4.3 The CS should implement standard quality reports for all official statistics, based on SIMS

4.4 The quality manual (or at least a summary statement on quality management) should be published on the English version of the CS web site

4.5 A dedicated unit for quality control and quality management should be established

# Chapter 5. Statistical Confidentiality

As stated in the SAQ, Articles 5 and 8 of the LSS cover the confidentiality of "primary statistical data". In Article 1 it is further said that primary statistical data shall mean the data received or recorded in statistical forms. The use of such data for monitoring and supervisory functions by other government bodies and the National Bank is specifically prohibited.

Confidential data may be released if the consent of the respondent has been obtained. Consent questions are included in many statistical questionnaires.

Data confidentiality is also covered in the Information Security Policy of the CS. This policy also comprehensively covers physical information security. Respondents are informed about confidentiality rules in survey questionnaires.

Data are considered confidential if individual units (people, businesses, etc.) can be directly or indirectly identified.

Staff are held responsible for any unlawful disclosure of confidential data. All staff (including those of the Information Computing Centre) working with confidential data are provided with training and are then required to sign confidentiality agreements. The list of such staff is reviewed annually. Disciplinary measures, including fines, are in place for any breaches in confidentiality.

The SAQ states (indicator 5.4) that written guidelines on confidentiality related to the dissemination of disaggregated statistical indicators are only partially implemented, and that the CS does not follow on-going research in the field of statistical confidentiality.

Rules on data access for research purposes were approved in 2010, and are posted on the CS web site.

One issue that also was discussed with representatives of other producers of official statistics, is to what extent statistical data covered by confidentiality rules, could be delivered by the CS to other public authorities based on other legal acts, for example related to criminal offences. It was not clear whether this would be possible or not.

### Assessment and Recommendations

Data confidentiality and security are taken seriously in the CS, with main elements of legal protection and proper measures and processes in place, in line with international practices. However, there seems to be a need for training of staff of other producers of official statistics in the distinction between statistical and administrative data, and the principles of statistical confidentiality.

A related point is that there seems to be a need for greater clarity on the legal basis for exchange of individual data between the CS and other ministries, for all persons involved.

Some of the text formulations related to confidentiality in the LSS could be improved. For example, 'primary statistical data' currently refers to all data collected on statistical forms, whereas it might be more appropriate to define 'individual data', as in the Generic Law on Official Statistics.

The rules governing access to confidential data for research purposes should be specifically included in the statistical law.

The Global Assessment team recommends:

5.1 The formulation of terms related to confidentiality should be reviewed during the forthcoming revision of the LSS, taking into account the terms and definitions used in the Generic Law on Official Statistics. The aim should be to ensure the full protection of confidential statistical data in relation to exchanges with other public authorities, and to implement rules for the protection of confidentiality in disaggregated tables

5.2 The standards of statistical data confidentiality applied in the CS should also be applied throughout the rest of the national statistical system by providing guidelines and training

5.3 Provisions relating to access to confidential data for research purposes should be included when revising the LSS.

# Chapter 6. Impartiality and Objectivity

The LSS (Article 5) sets out the main principles of State Statistics. The second of these principles concerns professional independence and autonomy in the implementation of statistical activity, whist the third provides for equal access to official statistical information, and the fifth provides for the use of all types of information sources, taking into account quality, timeliness, costs and burden on respondents. This is used in the SAQ as evidence of impartiality and objectivity.

These principles are generally aligned with the UN Fundamental Principles of Official Statistics, however there is no explicit reference to Fundamental Principle number 1, which covers impartiality.

The implementation of the "Principles of State Statistics" is monitored by the CS. However, monitoring by an independent body, such as a statistics council, could strengthen the perception of impartiality and objectivity (see Chapter 11).

The current institutional arrangements whereby the CS is part of the Ministry of National Economy creates at least a perception amongst some data users that impartiality and objectivity are not fully guaranteed. This is not helped by the fact that press conferences about statistical releases are organised and presented by the Ministry rather than the CS. This issue is dealt with further in Chapter 1 on professional independence.

Guidelines and procedures are in place concerning errors in and adjustments to published data, and information on statistical methodology is published on the CS web site (though not the English version).

A standard methodology is in place and published for selecting external partners to conduct statistical surveys for the CS. These partners are generally interviewers.

The extent to which principles and policies followed by the CS are also applied by other producers of official statistics (other government agencies) is not clear. A statement about the impartiality and objectivity of the national statistical system as a whole would be useful in this respect. This could be covered in the practical guide for the national statistical system, after the forthcoming revision of the LSS, or in a possible future code of practice for the national statistical system (see recommendation 1.3).

The calendar of press releases is compiled annually for the following year and is published on the web site, however this concerns only the release date, not the exact time. Data are generally released before 10am. There is no pre-release access to statistical outputs.

The CS does not provide users with advance notice of major revisions or changes to methodologies, though expected revisions and changes are set out in the operational plan, which is an internal document.

### Assessment and Recommendations

In principle, there seem to be reasonable safeguards in place to ensure satisfactory levels of impartiality and objectivity in the work of the CS (see Chapter 1 for the related recommendation). However, there is at least a perception that these safeguards may be compromised by the current institutional arrangements, by which the CS is part of the Ministry of National Economy. It is less clear that the principles of impartiality and objectivity are fully understood and applied by other producers of official statistics in Kazakhstan.

The Global Assessment team recommends:

6.1 Appropriate training on impartiality and objectivity should be implemented for statistical staff in other government agencies, and their managers. This recommendation also links to Recommendation 1 in Chapter 5 on statistical confidentiality.

6.2 A specific time should be fixed for data releases, especially those that may be considered market-sensitive, rather than just “before 10am”. Transparent procedures for updating the release calendar should also be implemented.

## Chapter 7. Sound Methodology

In the SAQ all questions related to indicator 7.1 (The overall methodological framework used for official statistics follows international standards, guidelines, and good practices) are answered as fully implemented. The SAQ states that in industry statistics the methodology of Eurostat, the United Nations Statistics Division, International Energy Agency and others is used, and that methodology at the national level is approved on the basis of international methodology.

The CS is also constantly learning new methodologies, classifications, questionnaires on statistics of services and energy from Eurostat, United Nations Statistics Division and other international organizations, which are then implemented at the national level.

It is the policy of the CS to follow international recommendations whenever possible, as the CS sends statistical data to various international organizations, and therefore it is necessary to ensure the comparability of statistics at the international level.

Most questions under SAQ indicator 7.2 (Procedures are in place to ensure that standard concepts, definitions and classifications are consistently applied throughout the statistical authority) are answered as fully implemented. For example, administrative sources are obliged to apply national classifications.

The SAQ also states that concepts, definitions and classifications are documented with reference to technical regulations. For example, related to the classification system and coding of technical and economic information approved by the Committee for Technical Regulation and Metrology of the Ministry of Investments and Development. In this committee, only national classifications are approved (see explanations below)

The SAQ further states that the national classifications are approved by the Committee for Technical Regulation and Metrology. The procedure for approval of national classifications is regulated by rules for the development, agreement, accounting, approval, examination, modification, cancellation and enactment of national standards, preliminary national standards, classifications of technical and economic information, except military standards for goods, products and military and dual-use services, approved by the Ministry of Industry and New Technologies on December 28, 2012 (No. 495).

The procedure for the development, approval, application and maintenance of sectoral (departmental) classifications of state bodies that form statistical information and administrative data, is regulated by the standard methodology for conducting departmental classifications approved by Order No. 50 of the CS, dated March 18, 2015.

Thus, classifications in the field of statistics are officially approved. Basic concepts and definitions are also indicated in the central glossary.

A methodological infrastructure, defining the statistical methods, monitoring their implementation and validating the results, is said to be partly implemented. A Methodological Council has been established within the CS, consisting of the deputy directors of the CS. It discusses and approves methodologies in subject areas covered by other producers. However, there is no organisational unit with a clear responsibility in this area. The SAQ also states that structural departments independently determine methodologies on statistical techniques for generating statistical indicators. This indicates a possible lack of central coordination of methodologies.

The SAQ claims that the methodological infrastructure (which is partly missing) provides standard tools for every stage of the business process (e.g. sampling, data collection, processing). The Methodological Council considers the methodology and content of the

toolkit. The Division for Statistical Registers and Classifications forms samples for various surveys. There is a division of data collection at the regional level (according to the principle of a "one-stop window"). The permanent staff of interviewers and registrars of prices collect data at the regional level. The Information Computing Centre is responsible for data entry and processing (at the regional and national levels). A separate unit is responsible for the publication and dissemination of official statistical information, as well as for placing them on the official web site of the CS.

In the SAQ it was further mentioned that:

- The description of statistical metadata is contained in the information system "Metadata" for all statistical indicators.
- To prepare new statistical surveys, a working group (focus group) is created with the participation of representatives of concerned government agencies, non-governmental and international organizations.
- Statistical actions are formalized with methodological documents, containing all the relevant information about metadata, namely the concepts, methods and classifications
- After the new statistical surveys are completed, methodological recommendations for their implementation in the future are developed, taking into account any identified deficiencies.
- Every statistical indicator has a corresponding description (metadata), or has a specific approved method of calculation.
- Methodological documentation is published, at least in abbreviated form
- All the procedures and guidelines are posted on the official CS web site, in the section on "Methodology".
- Employees of CS regularly participate in various international and national seminars on issues related to methodologies, new standards and classifications. They are constantly studying international standards and methodologies at international seminars, and in the framework of international projects.
- Training sessions for employees to work with the "Metadata" information system are held regularly, according to internal plans.
- Methodological materials regulate statistical production. Concepts, classifications, calculation formulas, etc. are approved in the prescribed manner and posted on the CS web site in the section on "Methodology". Classifications are placed in the section "Classifications". The methodologies take into account the recommendations of international experts and users. The abbreviated form of the methodology is published in the Statistical Bulletin.

For the purposes of comparability of statistical data and harmonization with international classifications, since 1997 the CS has been working on the introduction of international classifications developed by the United Nations Statistical Commission and Eurostat. Kazakhstan became one of the first countries in the Commonwealth of Independent States to introduce new versions of European classifications of economic activities (NACE Rev. 2) and products by types of economic activity (CPA2008).

To classify activities in the field of environmental protection, the Classification of Activities and Costs for Environmental Protection and Resource Management is developed based on the European classification of CEPA2000.

The statistics of Kazakhstan apply the classifications developed by the United Nations Statistics Division, for example, the statistical nomenclature of goods in broad economic categories (BEC 4).

In accordance with the international standard "System of National Accounts 2008" (SNA 2008) the following classifications have been introduced:

- Classification of economic sectors;
- Classification of non-financial assets;
- Classification of financial assets;
- Classification of the functions of government;
- Classification of the purposes of non-profit institutions serving households.

National and departmental classifications, and correspondence tables, are placed on the CS web site and in the "Classification and standards" information system.

It is seen as strength that almost all CS methodology is developed in accordance with international standards and, accordingly, published on the Internet. It is also seen as good practice that all methods are subject to public discussion, coordinated with the interested state bodies and are registered at the Ministry of Justice of the Republic of Kazakhstan.

The CS requested translation of international classifications into Russian, and that Eurostat, and UNECE could provide more training. In addition, it would be useful for the CS to be able to participate in working groups engaged in the revision of existing international recommendations. This would allow CS staff to quickly learn new, innovative methods in the field of statistics and introduce them in a more operational way.

**Assessment and Recommendations**

It is acknowledged that the statistical system of Kazakhstan is well developed in relation to the adaptation to international standards and methodologies. Documentation (metadata) appears also to be well developed and followed up by training. New technologies and methods are being tested and implemented in order to improve the efficiency of forms and data collection. The CS is also working deliberately to utilise administrative data to a larger extent.

The impression is that standard tools are being used to a large extent, but that there could be more harmonisation of methodologies used in sampling, editing and imputation. Introduction of the Generic Statistical Business Process Model, will require stronger focus on harmonised and documented methods and the analysis of efficient production processes.

The Global Assessment team recommends that:

7.1 The CS should strengthen its statistical, methodological work by recruiting staff with relevant competences.

7.2 The CS should establish a central unit to ensure training, coordination and harmonisation across the whole organisation, including the territorial units and the Information Computing Centre.

7.3 The CS should develop guidelines for revisions of data (For example: What is meant by revisions? When should revisions be done? What time series should be recalculated? How should users be informed?). Such guidelines could be combined with guidelines for handling errors in published statistics (For example: What is an error? How handled? How should corrected results be disseminated?)

# Chapter 8. Appropriate Statistical Procedures

Statistical processing is clearly distinguished from administrative data processing, as processing of administrative data is carried out by state authorities and statistical processing is performed by the CS. However, this distinction might not always be so clear within those authorities that are said to collect administrative data and produce statistics. This issue is mainly discussed more in detail in Chapter 2.

The SAQ states that procedures and appropriate validation rules are in place for assessing and checking the quality of administrative data, once a year based on an Order issue by the Minister of National Economy (№ 795, from 2015).

A recent amendment to the LSS (Article 12-1) gives CS strengthened basis for controlling data from administrative sources, households, and other bodies producing official statistics. Still, the quality of administrative data is mentioned as a problem in some parts of the SAQ.

According to the newly introduced sub-paragraph 24-1 to Article 12 of the LSS, the CS has the competence to exercise state control in the field of state statistics with the right to conduct audits and other forms of control with respect to administrative sources.

The state control is carried out with the purpose of revealing:

- Uncoordinated forms intended for the collection of administrative data;
- Uncoordinated methods for calculating indicators;
- Reliability of administrative data submitted by administrative sources;
- Reliability of farm accounting data.

In addition, criteria for assessing the degree of risk in the field of state statistics have been developed, which allow identifying unreliable administrative data submitted to the CS through comparison with administrative data from official sources.

The CS further confirms that procedures are in place for assessing and validating new questionnaires and that they involve relevant experts and special working groups with the participation of respondents, representatives of interested state bodies, and the National Chamber of Entrepreneurs of Kazakhstan. At the meetings of the working groups the statistical forms are analysed in detail for their relevance, necessity and overlaps with other indicators from statistical and administrative data collections.

The CS plans to introduce a “questionnaire lab” facility for pre-testing questionnaires. Methods to improve forms have been studied. Some activities have started and are expected to give positive results:

- Focus groups with selected respondents.
- Individual discussion of questionnaires with respondents
- Analysis of eye contact (eye movement) when filling in electronic forms

The CS admits that an appropriate organisational structure for providing guidelines, recommending appropriate methodologies and periodically examining sampling and estimation methods, is only partly implemented.

This is likely to be related to the lack of an organisational unit for methodological work, including sampling. In meetings with units producing social statistics (see Chapters 17.4 and 17.5) it was clear that there is a need to strengthen capabilities in sampling methods and nonresponse adjustment. There was a certain lack of transparency concerning methods for non-response, estimation and weighting.

Regarding SAQ indicator 8.4 (Data collection, data entry, and coding are routinely monitored and revised as required) it was admitted that appropriate organisational structures providing guidelines in these areas, as well as for data editing and imputation, are not yet implemented. Common and harmonised techniques for editing and imputation appear not to be promoted and shared.

The CS web site provides information about submitting responses online. Contact phone numbers and e-mail addresses of regional offices are provided for methodological assistance.

The SAQ response states that guidelines and principles relating to the revisions of published statistics exist and are applied routinely. The reference given is to the "Guidelines for interaction with users, including the media and the general public". This might indicate that the question is misunderstood, as revisions are not corrections of errors but changes in data due to changes in classifications and methodology. Thus relevant guidelines appear to be missing (see Chapter 7)

SAQ indicator 8.7, point 17: “A procedure is in place to monitor developments concerning regulations/legal acts which involve the use of administrative data” is answered as not implemented. The explanation given is that the responsibility for the development of administrative data lies completely in the state authorities. However, the CS has the legal right to get access to the administrative data collected.

It is further said that the CS is not consulted when administrative forms or files are created, reviewed or revised. However, the CS has a power to propose changes in administrative forms, and may organise meetings in case of disagreement.

The SAQ states that arrangements between the CS and owners of administrative data to facilitate the use of administrative data for statistical purposes are partly in place. At present 31 agreements have been signed with:

- Ministry of Justice of the Republic of Kazakhstan
- Ministry of Finance of the Republic of Kazakhstan
- Ministry of Healthcare and social development of the Republic of Kazakhstan
- Ministry of investment and development of the Republic of Kazakhstan
- Ministry of agriculture of the Republic of Kazakhstan
- Ministry of internal affairs of the Republic of Kazakhstan
- Committee of National Security of the Republic of Kazakhstan
- Ministry of Education and Science of the Republic of Kazakhstan
- Account committee for republican budget management
- Akimats of regions and cities (Almaty, Astana)
- Ministry of Energy of the Republic of Kazakhstan

Owners of administrative data are kept informed about the statistical use of their data, as part of the signed agreement.

The indicator: “Administrative data owners are made aware of all issues related to the quality of their data” is only partly implemented. CS is working on measures to analyse quality and report back to administrative data owners.

It is considered as a strength that methodologies have been improved in accordance with international standards, and that all register systems are integrated with relevant administrative sources and updated regularly. In the national statistical registers, classifications are fully consistent with international standards.

An improvement since GA2008 is the adoption of methodology describing the method of producing statistical information by public authorities.

The CS has an objective by 2020, to use all available sources for updating statistical registers, and to minimize the percentage of data discrepancies with administrative sources.

A repository of administrative data has been constructed including:

- Import of the concerned administrative data;
- Integration and storage of data from administrative sources;
- Reduction of respondent burden;
- Provision of access for different branch departments of CS to the submitted administrative data for data analysis;
- Provision of adequate level of accessibility for mass administrative data for further processing and forming aggregated statistical indicators.

**Assessment and Recommendations**

In general, the CS has well developed procedures for collecting and handling statistical data, in line with international standards, and is also using administrative data to a large extent. Agreements are signed with a number of providers of administrative data.

There seem to be some challenges related to access to some administrative data and also to get information on new potential data sources.

See chapters 2 and 7 for recommendations related to the issues mentioned.

# Chapter 9. Non-excessive Burden on Respondents

In the SAQ, it is mentioned that procedures are in place to assess the content of the statistical work programme avoiding redundancy and duplication. The CS annually holds a special working group with the participation of the respondents, representatives of the interested state bodies, and the National Chamber of Entrepreneurs of Kazakhstan. At the meetings of the working groups, statistical forms are analysed in detail for relevance, necessity and overlaps with indicators from other statistical and administrative data collections.

In the SAQ it was also said that action plans for simplification and modernization have been developed and implemented, to decrease burden on respondents. In addition to the working group mentioned above, the CS works systematically on the revision of statistical forms as part of preparing the annual program. All revised statistical forms are submitted for discussion at the Public Council of the Ministry of National Economy

The CS has reviewed more than 80 percent of existing statistical forms, and, in comparison with 2013, the number of nationwide forms was reduced by 20 percent, and that of departmental forms by 33 percent.

Performance indicators on reporting burden are produced, including estimates on reporting burden for businesses. During the discussions it was not clear whether there is a systematic estimation of response burden of all surveys, and if so, how it is made. Apparently there are also some estimates only for businesses. The impression is that the CS should perform such estimation in a more systematic way, for all surveys.

In order to reduce the burden on respondents, an on-line data collection system has been developed, as part of the "e-Statistics" project. All respondents can submit responses using a digital signature from the national certifying centre, through a secure CS web site. There are plans to further extend electronic data collection for businesses.

Mechanisms to facilitate the use of administrative data, and reduce overlap between administrative and statistical data collections, are discussed in Chapter 2.

Technical tools exist to receive microdata from statistics producers in other government departments, but only aggregates are provided from the CS to these producers.

The information system "e-Statistics" is integrated with 26 information systems of public authorities. Data from these administrative sources are used to update the CS statistical registers and to generate statistical information. This system is also used to transmit statistics to other information systems of public authorities.

The SAQ states that the requirement that the CS should provide clear definitions of key variables that need to be shared between data processes in accordance with confidentiality rules, is fully implemented. The explanation is that there are forms in which the necessary indicators are identified upon receipt of the information from respondents. The exchange of data with other organizations also determines a specific list of indicators for which the available information is given. Confidentiality is protected both by legislation and technical means.

As a strength, the work to reduce the reporting burden on respondents through the working group and revision of statistical forms, was mentioned. A weakness is that administrative records of other state bodies are not fully used.

As mentioned in Chapter 4, the CS plans to introduce a room for pre-testing questionnaires, along the lines of questionnaire “laboratories” found in some other statistical organisations.

This is expected to increase the trust of a wide range of users of official statistics in Kazakhstan and improve feedback to respondents.

**Assessment and Recommendations**

The CS seems to be well advanced in using new tools for data collection mainly due to the KAZSTAT project. There is also, in general, focus on improvement actions related to data collection and the reduction of response burden.

However, there are some issues, especially related to the measurement of burden and the use of administrative sources, which need some attention.

Thus the Global Assessment team has the following recommendations:

9.1 The CS should implement and document regular estimations of response burden related to all surveys.

9.2 Mechanisms to inform the CS about new sources of administrative data should be improved, as well as the possibility to influence the content, even though the present law provides some power when approving administrative forms (see also chapter 2).

9.3 More transparent rules and procedures should be implemented in relation to data sharing between the CS, other partners of the national statistical system and other administrative bodies, – both as part of the LSS and accompanying regulations (see also Chapter 5 on Confidentiality).

## Chapter 10. Cost Effectiveness

In the SAQ it is said that indicators of the human and financial resources of the CS are not monitored. This is because the CS is not an administrator of the budget programs – this is at the level of the Ministry. Monitoring of human resources is done by the personnel department on a monthly basis, in a report to the Ministry on performance and the number of employees laid-off and accepted. The lack of monitoring and follow up of resources within the CS appears to be part of the wider issue of professional independence raised in Chapter 1.

The SAQ states that resources are allocated to statistical processes – but the answer is about the budget request for the coming year. It was confirmed during the meeting that there is no effort made to estimate costs related to statistical processes and products as there is no estimation or registration of time used for statistical processes and products.

The SAQ further says that human resources are evaluated in line with office-wide guidelines – but the answer is about competition for recruitment and training provided. In the discussion on human resources and training it became apparent that the CS has to follow general guidelines for the state administration and there seems to be some elements of evaluation, but not necessarily adapted to the needs of the CS.

It was also confirmed that staff opinion surveys are conducted annually, the main purpose is to determine the level of employee satisfaction and the priority areas that need to be adjusted. In the meeting with the junior staff, they felt that this survey was useful and that the results were followed up.

On the question of whether centralized IT and methodological units provide pooling of resources and investments it is said that this is partly implemented. The IT department within the framework of the CS determines the information management policy of the CS and its regional units. Within the regional offices, there are units who are responsible for implementing the information policy.

The answer is the same and ‘partly implemented’ on the question whether centralized IT and methodological units identify the potential for modernization. However, the central IT department did not seem so strong in this topic, and there is no central methodological unit. The existing IT department is not responsible for the methodological component. The main functions of the IT service of the Committee are the overall planning and coordination of the IT system development of the Committee. The IT system is built on the basis of the needs of methodologists.

The SAQ states that an appropriate IT architecture and strategy exists and is regularly updated, referring to the state programme ‘Information Kazakhstan 2020’. There are no specific points related to statistics – however issues related to the effectiveness of state administration are addressed. This supports the impression that the CS might be in need for a stronger focus on its own strategy for development – also of IT.

There are policies, procedures and tools to promote automatic techniques for data capture, data coding and validation through the on-line data collection system. Staff promote the use of electronic reporting. There are possibilities to deliver data in electronic form at regional and district level for respondents without access to the Internet. Respondents are given information and seminars.

Standardization programmes are partly implemented, in accordance with the Generic Statistical Business Process Model (GSBPM). A standard methodology for producing statistical information by public authorities has been developed. The issue of implementing the GSBPM is also discussed in Chapter 4. This was mentioned as a priority for 2017.

The central office implemented a quality management system in 2008 and the regional offices in 2011-12.

The SAQ identifies as a strength that funds from the budget are fully used. It is possible to transfer money between different parts of the CS in case of underspend, but it is not possible to transfer money between budget periods. Greater flexibility and multi-annual budgeting would be beneficial.

**Assessment and Recommendations**

The CS seems to be well advanced in some aspects of cost-effectiveness. Staff opinion surveys also appear to be well established, and the results are evaluated and used.

However, some issues especially related to the possibility to measure efficiency need some attention.

The Global Assessment team has the following recommendations:

10.1 The CS should develop estimations of costs of surveys by combining time usage registration, salary information and other financial information.

10.2 The CS should develop a clearer strategy for the future use of IT and methodological support. This is linked to a plan for implementation of GSBPM (see Chapter 4), and should address questions such as: What are the necessary preconditions? What are priorities for implementation? Where is the largest potential for improvements? What might be the consequences for the organization related to work-flow and division of labour between central and regional units? How can this be handled within the present structure?

# Chapter 11. Relevance

The CS answers ‘fully implemented’ in the SAQ on whether user consultations are required in the law, that there are user committees/working groups and procedures in place to consult users (annual user surveys, procedure for annual program, annual respondents’ survey) and that procedures are in place to consult users about the quality of statistical output. Data on the use of statistics are also analysed/monitored and the results used to support priority-setting.

It is also stated that there are procedures in place to prioritize between different users’ needs in the work programme.

A strategic plan exists and is publicly available, but only at the level of the Ministry of National Economy.

On the question of whether there are service level agreements with users, reference is made to the principle of equal access under the law. However, it is documented elsewhere that there are agreements with several authorities on the provision of data.

User satisfaction surveys are conducted annually and the results are communicated to the management and all structural units for follow up.

It is considered as a strength that the CS responds in a timely way to government requests for statistical information (for example, the quarterly bulletin "Indicators of the state programme of industrial-innovative development", time series, etc.). The development of the user-oriented statistical data base, “Taldau” is also a major innovation.

A weakness is that there is little activity in a user group of private enterprises.

Each year, users are questioned, which consisted of 8 questions. It is held at the level of the central office of the CS, as well as at the level of territorial departments of statistics within the framework of the Open Doors Day. Based on the results of the questionnaire, a report is generated, which is communicated to the management of the CS and all employees for further improvement of statistical activities. The results of the survey allow the CS to identify the following main criteria: the proportion of user categories; Satisfaction with the volume of available statistical information; Satisfaction with the form of submission of statistical information, the level of confidence in the data of state statistics, the identification of the most convenient ways of obtaining statistical information. In addition, this study contains suggestions for users to further improve statistical activities.

In a survey conducted in 2016, 1646 respondents participated, which is 2.4 percent less than in 2015, including:

- 42 percent (47 percent in 2015), representatives of state institutions
- 23 percent (17 percent in 2012), representatives of commercial structures
- 19 percent (18 percent in 2015), representatives of educational institutions
- 16 percent (18 percent in 2015) representatives of other categories

The majority of users are mostly satisfied with the amount of information - 71 percent (in 2015, 72 percent).

The share of users, mostly satisfied with the format of information, was 58 percent in 2016 (in 2015, 55 percent).

83 percent (in 2015, 84 percent) of users noted a high level of trust in the data of state statistics. Of these, 63 percent fully trust the data (in 2015, 61 percent).

The most convenient way to get information is to use the CS web site, according to 64 percent of respondents (in 2015 62 percent), through electronic dissemination, 29 percent (in 2015 23

percent), and in paper form, 15 percent (14 Percent in 2015). The web site is used by 87 percent (in 2015, 85 percent) of respondents.

84 percent (also 84 percent in 2015) of respondents believe that the web site has the necessary information.

The significant increase in satisfaction with the presentation of data is most probably one of the results of the KAZSTAT project.

In order to improve the quality of service, the CS started an information service in 2015, for calls from users and respondents. During 2016 the information service received 13,653 calls.

Channels for feedback from users include:

- The information service of CS
- CS accounts on social networks
- Electronic mail box of CS: kazstat.rk@gmail.com
- Contacts from the web site of CS: www.stat.gov.kz
- Open Day
- User surveys

The directory of users of official statistical information developed by the CS in 2013 provides the breakdown of users into the following categories:

- International Cooperation Organizations
- Government bodies of the Republic of Kazakhstan
- Official statistical organizations
- Science and education
- Social media
- Business
- Financial sector
- Private user
- Other organizations
- Uncertain, not falling under any category of user

These categories also include more detailed subcategories.

In addition, according to the "Guidelines on interaction with users, including with the media and the general public," developed by the CS in 2015, it is generally recommended to simply try to make all presentations convenient and informative.

Particular attention is demanded by the so-called "problem" groups of users:

- Government bodies, because of attempts to pressure and interfere in statistical activities, aspirations to obtain privileged access to statistical data;
- Science and education, because of the need for deep detail in certain formats, explanations of the methodology;
- Business and financial sector, due to constant complaints about heavy workloads of statistical reporting and non-recognition of the usefulness of state statistics;
- The mass media, because of the short deadlines for the preparation of the requested information and the high risk of misinterpretation of the statistical information provided;
- Information providers, because of the need for deep detail in certain formats, automated access to databases, violation of "copyright".

**Assessment and Recommendations**

There have been several positive developments since GA2008 – partly as a result of the KAZSTAT project, in the field of dissemination and user contact.

The impression is that there is a relatively well-established contact with governmental users (as also mentioned in GA2008), whereas contact with other users might be less developed. The lack of activity in a group of private enterprises is a sign of this, and the team did not meet any representatives of this group of users.

Unfortunately, during the visit the team only met a limited group of users, researchers, mainly in the field of economics, and a few representatives from media. The team met several representatives from ministries, but mainly as producers, not users.

Open doors are held annually at the level of the central office and at the level of territorial departments of statistics. Events are also held in higher educational institutions.

The annual satisfaction survey appears to be a useful tool to get systematic feed-back. Within the framework of these activities, a user survey is conducted. User suggestions for improving statistical activities are brought to the attention of the management and employees of the CS.

The users from research institutions were, in general, quite happy with the service provided by the CS and they could also find much of the information they wanted on the web site. One request was some quicker update of electronic dissemination products ("Taldau") especially related to longer and/or revised time series. There was, in general, also a high degree of trust in the statistics produced by the CS – even if one user would like to get an explanation why unemployment figures appeared to be so stable. All representatives felt that the present organisational model, whereby the previous Agency had been transformed to a Committee within a Ministry, was seen as a potential threat to the independence of official statistics, and should be changed. They saw also a need to re-establish a Statistical Council with broad user representation to contribute to prioritisation and development of the statistical system of Kazakhstan. They felt in general that the CS should give clearer information and provide better facilities for the provision of detailed data – even microdata – respecting the rules of confidentiality.

The representatives from media met were also rather happy with the access to statistical information and the service provided by the CS. They would be happy to know at what time an expected release would appear, and not just the day. They expressed some concerns in relation to the general knowledge about official/state statistics among journalists and proposed that the CS should take an initiative to provide training. They also felt that the present organisational placing of the statistical institute as a committee within a Ministry could raise some doubts concerning the real independence.

The Global Assessment team makes the following recommendations:

11.1 A Statistical council should be re-established with a broad representation of users (including outside Astana) and with a clear mandate, work programme and sufficient resources. A major task of the Council will be to discuss priorities of the long-term strategic programme and the annual programme for (official) statistics to be produced by the national statistical system.

11.2 A system of specialised working groups should be established with external experts to support development in priority areas. Such groups could involve both producers and users, for instance in order to meet the requirements of specific user groups, such as the business community.

11.3 A scientific/methodological council should be established to improve the relationship with the scientific community and provide support for the scientific and methodological development of the SC.

11.4 The CS should initiate specific training on official statistics for media.

11.5 The CS should improve its procedures for the provision of detailed data (microdata) for research also as part of the revised law; clarifying conditions, limitations and practical procedures.

# Chapter 12. Accessibility and Clarity

According to the Law on State Statistics (Article 26) “State statistics provide users with equal rights to simultaneous access to high-quality official statistical information and statistical methodology by placing them on the Internet resources of the state statistical bodies." Dissemination and communication activities within the CS are now consolidated into a single “Department of work with users”, in line with a recommendation of the previous Global Assessment.

All statistical information produced according to the plan of statistical work and the “schedule of dissemination of official statistical information” is published on the CS web site (www.stat.gov.kz). Other information may be provided on request, for a payment. This service is provided by the Information Computing Centre, as the status of the CS does not allow it to receive this type of income directly. State bodies, research institutes, higher educational institutions and libraries can subscribe to receive statistical publications in paper form, free of charge. At the same time, there is a gradual shift from paper publications to electronic format for the dissemination of statistical publications and statistical information in general, via the CS web site www.stat.gov.kz (in Kazakh, Russian and partly in English) and the information and analytical system "Taldau" (In Kazakh and Russian).

The previous Global Assessment raised concerns about access to the statistical library when the CS moved from Almaty to Astana. This was resolved by moving the library to the Astana Department of Statistics, but with the move to digital dissemination, having a physical library for users is becoming less important.

Within the framework of the KAZSTAT project, the following documents were developed to manage the distribution of statistical information and interaction with users:

- Directory of users of official statistical information
- Guidance on interaction with users, including with the media and the general public
- Guidelines for the use of corporate style
- Methods for the formation and dissemination of official statistical information in electronic form.

However, meetings with journalists are held by the Minister, not by the CS, and the CS logo now includes a reference to the Ministry of National Economy of the Republic of Kazakhstan.

Қазақстан Республикасы
Ұлттық экономика министрлігі
Статистика комитеті

Ministry of National Economy
of the Republic of Kazakhstan
Committee on Statistics

Министерство национальной экономики
Республики Казахстан
Комитет по статистике

In 2014 the Division for Publications and Dissemination of Statistical Information (since 2016 - Division for Work with Users) was established. The Division consists of 10 people.

The practice of disseminating information is carried out on the basis of the following documents:

- The Law of the Republic of Kazakhstan "On State Statistics"
- Rules for the provision of statistical information at no cost
- Rules for the provision and use for scientific purposes of databases in anonymised form
- Directory of users of official statistical information
- Guidance on interaction with users, including with the media and the general public
- Guidelines for the use of corporate style
- Methodology for the formation and dissemination of official statistical information in electronic form
- Regulations for the provision of the public service "Presentation of statistical information not provided for by the timetable for dissemination of official statistical information"

Visits to the web site are tracked, users are questioned. The web site complies with national accessibility requirements. There is limited use of social networks for communication, mainly Facebook.

Limited access is allowed to anonymised microdata for scientific purposes in accordance with the Law of the Republic of Kazakhstan "On State Statistics".

There are various channels of interaction with the media:

- Monthly press releases of briefings
- Answers to media inquiries
- Interviews
- CS accounts in social networks
- Monitoring of the presence in the media
- The electronic mail box of the Committee kazstat.rk@gmail.com

The storage, management and dissemination of metadata are partly consistent with international standards. The IMF's Special Data Dissemination Standard (SDDS) is used to publish metadata. The SDMX (Statistical Data and Metadata Exchange) standard is partly implemented.

Quality reports are not yet available systematically for all statistical products, but they have been developed in several areas within the framework of the KAZSTAT project.

**Assessment and Recommendations**

Significant progress has been made in improving data accessibility and transparency, for example, the new database system "Taldau" has gained wide support, although for some users there is still a problem of the timeliness of updates. Consolidation of information and communication activities within one department, as well as the development of new guidelines, are also seen as significant improvements.

The Global Assessment team recommends:

12.1 The CS should have direct control over the organization of press conferences and briefings in order to improve contacts with journalists and demonstrate greater professional independence.

12.2 If resources permit, materials in the "Taldau" database should also be made available in English. The cost of presenting and maintaining several language versions is known, but

for foreign users it would be very useful if, at a minimum, the basic indicators would be accessible through an interface in English.

12.3 The CS should improve timeliness in the updating of Taldau.

12.4 A comprehensive dissemination policy document, integrating the contents of the various documents listed in this chapter, should be developed and published on the web site. This should also apply to official statistics produced by other government departments.

12.5 If the CS regains professional independence in the future (see Recommendation 1.1), the CS logo should be re-designed so that it does not include the name of the Ministry of National Economy.

12.6 For all statistical products, quality reports should be generated and published in accordance with international standards.

12.7 All methodological documents, rules and related materials should be gathered together in one central database or similar system, accessible to all staff, including in regional offices. Unless there is a very good reason not to (for example rules on data anonymization), this information should also be made public via the CS web site.

# Chapter 13. Organisational and Structural Aspects

## 13.1. The Committee on Statistics

The basic functions of the CS are described as:

- Develop and implement the state policy in the field of state statistics;
- Form methodology in accordance with international statistical standards;
- Organize and carry out nationwide statistical observations in accordance with the programme of statistical work;
- Provide information through statistical databases on the socio-economic situation of the republic and its regions.

The competences of the CS are described more in detail in Article 12 of the Law on State Statistics.

In accordance with the plan of statistical work for 2016, 152 statistical surveys and 363 statistical publications were planned.

The CS plans to launch a revision of the Law on State Statistics during 2017. The main points expected to be revised are:

- Optimization and introduction of new concepts
- Revision of current articles
- Expansion of statistical functions:
  - Develop normative legal acts in relation to the interviewers
  - Develop and implement regulations on quality management
  - Testing of projects of statistical forms and instructions for their completion, as well as of individual telephone survey, etc.

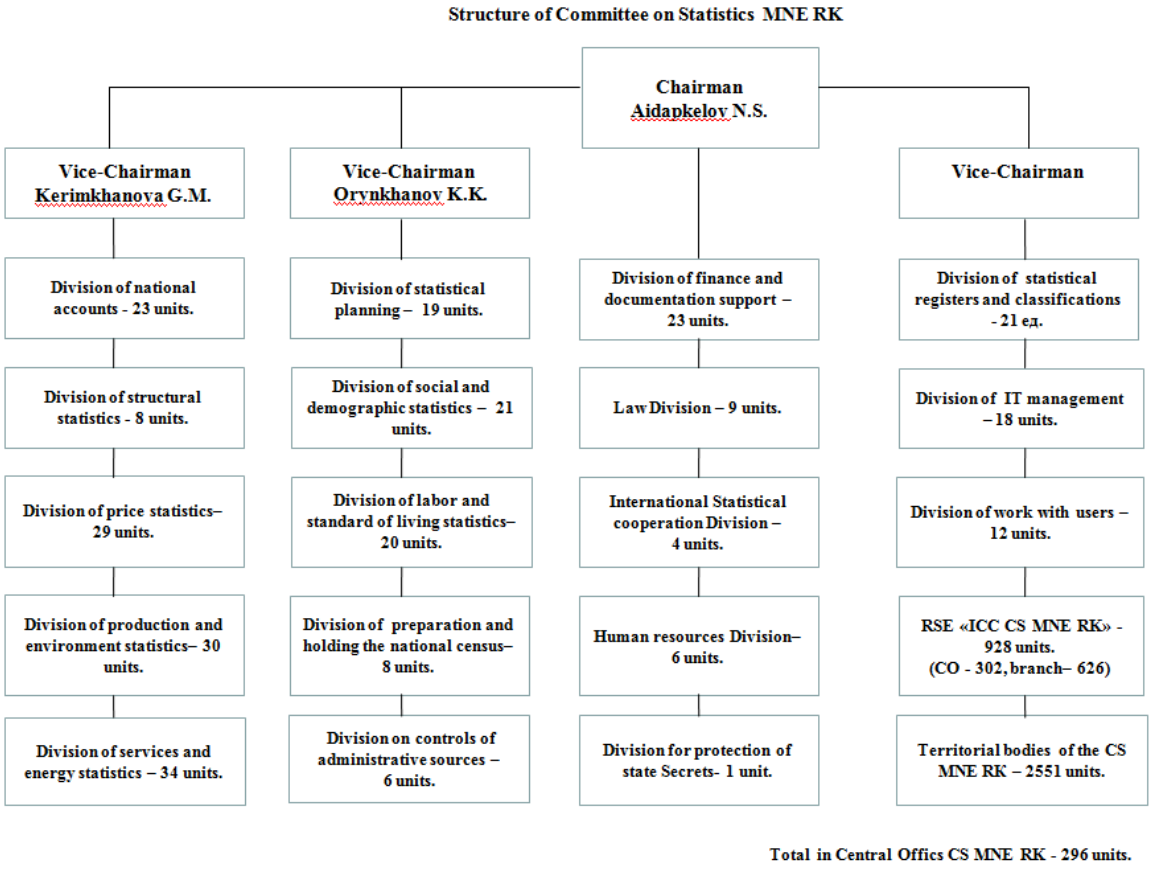
The following plans are produced relating to the work of the CS

- A Strategic Plan is developed every three years for 5 years and is coordinated with the authorized body on state planning. It is approved by order of the Minister of National Economy
- An Operational Plan is developed each year, to implement the Strategic Plan. It is approved by the Order of Responsible Secretary of the Ministry of National Economy
- Working plans of structural divisions of the CS are developed by the relevant structural division and coordinated by supervising Vice- Chairman and the authorized planning division for implementation of the Operational Plan of the Ministry of National Economy. They are approved by the Chairman of the CS
- Working plans of territorial departments of statistics are developed by appropriate territorial department. They are approved by the Head of territorial department of statistics with agreement of the Chairman of the CS and authorized subdivision for planning at the CS
- An annual Statistical Work Plan for conducting national and agency-level statistical observations with exception of national census. It covers the collection of primary statistical data, and is approved by the order of Ministry of National Economy. It is based on Article 19 of the Law on State Statistics. Proposals for the following year are collected before 1 April and the plan is developed before 1 July
- A Statistical Master Plan sets out the national strategy for the development of the state statistics system in Kazakhstan for 2017-2025. It was developed with the participation of international and local experts in coordination with the World Bank within the KAZSTAT

Project. A preliminary version was approved by the Chairman of the CS in January 2017, with a planned revision in 2017 taking into account the results of this Global Assessment.

A major modernisation project, referred to as "KAZSTAT", ran from 2012 to 2016, and was financed by a loan from the World Bank. The project was defined taking account of the Global Assessment report from 2008 and the Statistical Master-Plan (SMP) for 2008-2015. The main goal was the improvement of the effectiveness and efficiency of the national statistical system of Kazakhstan to provide adequate, timely and reliable data with respect to international methods and best practices. The statistical offices of Germany, Finland, Czech Republic, Slovak Republic, South Korea and Russia provided experts to assist the CS to implement the project. Possible follow-up actions are discussed in Chapter 10.2.

The current organisation chart of the CS is shown below.




This structure was established in the context of the reform of the state administration in August 2014, with changes in April 2017 based on recommendations from the KAZSTAT project, including:

- The creation of a new Department of Publications and Dissemination of Statistical Information, which combined services for the dissemination of statistical information in electronic and paper form. Now it is renamed the User Management Department. Two staff respond to questions that come from users and provide assistance by phone (Information Service Committee).

- The staff of the Statistical Processes Development Division from the Department of Administrative Work have been transferred to a newly created Statistical Activities Planning Division
- Energy statistics was transferred from the Division of Production and Environmental Statistics to the Division of Services and Energy Statistics
- The Department of National Accounts has been divided into 2 Divisions - Division of National Accounts and the Division of Structural Statistics
- The work on maintaining statistical classifications, including the national classification of administrative and territorial objects, was transferred to the Office of Registers, which was renamed the Office of Statistical Registers and Classifications
- A new Division on Preparation and Holding of the National Censuses was created
- The Law Division was strengthened by two staff, and legal services were created in all territorial bodies
- A new Division on control of administrative sources was created.

Several departments cover a rather wide range of topics (e.g. the Department of Social and Demographic statistics covers the following subject areas, demographic statistics, education statistics, health statistics, gender statistics, crime statistics, disability statistics, social security statistics and the construction of SDG indicators). Thus there is a risk that competences in some specific subject areas might be rather limited. This is underlined by the fact that only 173 employees at the central office work in the 8 departments that are working with subject matter statistics. On the other hand, there are rather large units working with statistical planning and finance and documentation support.

**Assessment and Recommendations**

There have been many positive developments over recent years, especially by improving the efficiency of data collection and reducing response burden, mainly due to the KAZSTAT project. However, the CS needs to develop a stronger focus on strategic planning – for the whole statistical system. There seems to be a need to clarify the framework for the programme of national statistical surveys; what are really the statistical surveys – based on the Law on state statistics and what are administrative surveys, based on normative legal acts.

The Global Assessment team has the following recommendations (see also Chapter 3):

13.1 The CS should review the division of resources and work between the central office, the territorial offices, and the Information Computing Centre, to improve efficiency and strengthen resources for new development and priority areas.

13.2 The CS should implement plans to establish a regional centre for statistical training in Astana. This would support capacity building initiatives and exchanges of good practices with neighbouring countries.

## 13.2. Regional Structure

There are 16 territorial statistical offices. Administrative institutions are legal entities and act in accordance with the Constitution and legislation of the Republic of Kazakhstan.

Regional statistical bodies are managed by the head of the Department of Statistics, who has two deputies.

| Name of the area | Staff number |
|---|---|
| Statistics Department of Akmola region | 170 |
| Statistics Department of Aktobe region | 146 |
| Statistics Department of Almaty region | 233 |
| Statistics Department of Atyrau region | 106 |
| Statistics Department of East-Kazakhstan region | 226 |
| Statistics Department of Zhambyl region | 149 |
| Statistics Department of West-Kazakhstan region | 128 |
| Statistics Department of Karaganda region | 206 |
| Statistics Department of Kostanay region | 182 |
| Statistics Department of Kyzylorda region | 114 |
| Statistics Department of Mangystau region | 106 |
| Statistics Department of Pavlodar region | 149 |
| Statistics Department of North-Kazakhstan region | 148 |
| Statistics Department of South-Kazakhstan region | 241 |
| Statistics Department of Almaty city | 132 |
| Statistics Department of Astana city | 115 |
| **Total:** | **2551** |

Regional (municipal) statistics administrations exercise the following functions:

- Realization of some programs on government statistics improvement in the region / city
- Implementation of information support by statistical data to executive boards, legal persons and individuals pursuant to the Law of the Republic of Kazakhstan
- Organizing and conducting statistical observations, surveys and censuses according to the Plan of statistical works
- Provision, calculation and updating of statistical data on social economic conditions of the region
- Management, updating and maintenance of the statistical business register for the region / city and other register systems
- Publication and distribution of statistical books, statements, and other statistical materials
- Regular publication of aggregate statistical data on the region / city
- Primary checks of the accuracy of data in enterprise and organization statistical reports
- Support to statistical information users, provision of access to summary statistical information for the region / city for legal persons and individuals

- Some development of information systems and computer and automation equipment.

The Global Assessment team visited the office of the Statistics Department of Astana City.

The work programmes and budgets of regional offices are decided on at the central office, and implemented in the regional offices. There are 115 staff in the Astana office, 85 percent have bachelor degrees or higher. 25 staff of the Information Computing Centre are located within the regional office. The staff are relatively young (almost half have less than 5 years of experience), and there is a high staff turnover. This is explained by salaries in the regional offices being 20 percent lower than in the central office, and that many employees of the Astana office moved to the central office when it was relocated from Almaty. There are plans to introduce regional variations in salaries to take account of the local cost of living.

The main tasks are data collection and validation of microdata. Data are collected in several formats, including paper and Internet. There is also a "one window service centre" in the Astana office where respondents can come to provide data by computer or directly to interviewers.

Computer-assisted telephone interviewing (CATI) is being introduced. This will mainly be run from the central office, but small teams will also work in the regions, particularly on surveys that have regional specificities. The regional offices administer and provide training for field interviewers, in line with instructions from the central office.

Initial editing and quality checks are carried out during data input by the regional offices. Logical controls are built into processing systems for primary data. Data are then sent to the Information Computing Centre and the central office for further verification and analysis. Summary data are published at both the national and regional levels.

Technical equipment appeared to be fit for purpose, and there is a policy to move from paper to web in collection and dissemination. Training is provided, including through the KAZSTAT project. There are regular contacts and sharing of experience between regional offices.

**Assessment and Recommendations**

A large proportion of CS staff (around 90 percent) is located in the regions, mainly for historical reasons. Regional offices provide a strong link to respondents at the local level. As data collection, processing and dissemination are modernised, the role and nature of the work of the regional offices will change.

A strongly decentralised system, such as in Kazakhstan can result in inconsistencies in data processing and quality control between different regions. However, standard software and methodologies have been introduced, which mitigate the risk to some extent.

Based only on the visit to the Statistics Department of Astana City, the level of resources and the standard of equipment seem to be sufficient.

The Global Assessment team recommends:

13.3 The CS should initiate a review of the organisational structure and distribution of staff between the central and regional offices, taking into account technological and methodological developments.

13.4 The CS should consider how training of regional office staff could be improved and made more consistent through the use of methods such as web conferencing and computer-based training.

## 13.3. Information Computing Centre and IT Division

There are two IT areas supporting the CS, the Division of IT Management (18 staff) and the Information Computing Centre (ICC - approx. 850 staff, including around 250 in the main office in Almaty and 600 in regional offices). The Division of IT Management is a sub-division of the central office of the CS, whilst the ICC is a separate, but subordinate organisation.

Within the CS, the Division of IT Management plays a coordinating role in IT in central office and in regional offices.

The main functions of the IT Division is the overall planning and coordination of the development of the IT system of the Committee.

In the regional offices of the CS there are units or individuals responsible for coordinating IT functions and implementing IT policy.

The ICC implements IT tasks, i.e. Maintains and updates information and statistical systems, databases and their platforms, statistical registers, the web site of the CS; conducts collection, processing of primary statistical data submitted by territorial statistical bodies and respondents, and their storage in electronic form; creates statistical publications and disseminates official statistical information; produces statistical information which is not provided by the schedule of the dissemination of official statistical information.

The main areas of activity discussed during the Global Assessment were the following:

- Data collection - This includes paper forms, web collection, and projects to introduce CATI (Computer Assisted Telephone Interviewing) and CAPI (Computer Assisted Personal Interviewing). Web collection was developed under the national Budget investment project "Creation and development of the integrated information system" e-Statistics". The proportion of on-line responses is growing rapidly, and has now passed 50 percent.
- Integration of administrative data - The “e-Statistics” system components have been developed as tools for exchanging and integrating administrative data.
- Dissemination - The official web site of the CS has been modernised. An interactive dissemination platform “Taldau” has been introduced, with Kazakh and Russian interfaces. The data transmission standard SDMX (Statistical Data and Metadata eXchange) has been introduced under the Kazstat project, and is now used to send data to the Eurasian Economic Commission.
- Metadata management - Within the framework of the "e-Statistic" system, metadata are developed to allow the centralisation of descriptions of statistical indicators for statistical processes of collecting, processing and disseminating statistical information in accordance with the GSBPM. At the same time, rules and methodological recommendations on metadata management have been developed.
- Training - Training courses on systems and metadata management are provided for staff.
- Information Security - The information security policy of the CS is approved in accordance with the norms and requirements of the state standard on the basis of ISO / IEC 27002. Protection from non-disclosure of information is provided in the confidentiality agreement, which is signed by every staff member of the CS. In addition, these norms are present in the employment contract. According to the rules of the security policy, the requirements for the work of the staff of the CS, servicing organizations and third-party organisations are defined to ensure the control of access and safety of the assets of the CS.

- Hardware - There has been significant investment in IT hardware within the KAZSAT project. Plans are in place for future investment to ensure the sustainable renewal of hardware as it becomes obsolete.

The purpose of the ICC is the development and maintenance of statistical databases in all areas of statistics, and presentation of these data to users of statistical information in accordance with appropriate legislation.

To accomplish the objectives the ICC performs the following types of activities:

- Collection of primary statistical data (Entering data into the system received on paper), from the regional offices of the CS, in accordance with the Plan of Statistical Works
- Provision of statistical information to state bodies and other users, based on scientific methodology and international standards
- Processing of statistical data, census materials, one-off and/or specially organized statistical observations in accordance with appropriate legislation
- Creation, maintenance and updating of statistical databases, statistical registers, web-sites, and support to users on their exploitation
- Supporting the creation, development, implementation and maintenance of a unified information and communication infrastructure for the CS and its territorial bodies on the basis of modern information technologies
- Provision of information for state bodies, respondents and users of statistical information
- Ensuring the protection of the information and telecommunication infrastructure of the CS and its territorial bodies on the basis of modern information technologies
- Installation and maintenance of basic software for the CS and its territorial bodies
- Technical, programming, and methodological support of work to introduce new methods and statistical outputs
- Technical support, maintenance and repair for computer and telecommunications systems, installation of local area networks (LAN), servers setup, system maintenance of workstations, copiers and printing equipment of the CS and its territorial bodies
- Provision of anti-virus protection for electronic information resources and the preservation of statistical data, including security systems, archiving and backup for the CS and its territorial bodies
- Participating in events and ensuring interaction with information processing centres and statistical bodies of other countries on the exchange of statistical and other information within the competence of the Information Computing Centre
- Organizing and conducting conferences, seminars, training courses and other training activities
- Organizing and conducting consultations of individuals and legal entities on conducting the censuses
- Organization of library and information services
- Filling in the layouts of statistical publications

ICC staff are not designated as public servants, which means their salaries can be higher. This helps regarding recruitment and retention of staff.

The IT infrastructure of the "e-Statistics" system is centralized and localized in the central office of the CS. All employees of the regional offices of the CS have access to the necessary systems through an intranet portal.

The network of data transmission from regional offices is built on IP VPN technology. The main server equipment is in the CS. There is a reserve server infrastructure of the CS in the building of the Department of Statistics of Astana.

**Assessment and Recommendations**

Significant progress has been made in the area of IT since the previous Global Assessment, particularly in the context of national budget investment project "Creation and development of the integrated information system" e-Statistics ".

The introduction and rapid expansion of data collection via the Internet, and the implementation of the “Taldau” dissemination systems are good examples.

The relationship between the ICC and the CS seems to be functioning well. The ICC works solely for the CS, except regarding a few ad-hoc analyses which are supplied directly to external customers for payment. These are subject to statistical confidentiality rules. However, if the current arrangement continues, more explicit safeguards that the ICC reports exclusively to the CS could be needed. There are some joint training activities, for example on the importance of statistical confidentiality.

The Global Assessment team recommends:

13.5 In the longer term, assuming the CS is re-constituted as an independent body, with control over its own recruitment activities and remuneration packages, a merger of the CS and the Information Computing Centre into one organisational unit should be considered. This would give greater transparency regarding the control by top management of statistical collection and production activities. It would also help to meet the challenges related to changing tools and technologies, and improve the interaction between all those involved in the statistical production process. However, such a merger is not feasible under the current arrangements whereby the CS is a part of the Ministry for National Economy, and the CS staff are public servants with terms of employment determined centrally across the whole of government.

13.6 In the shorter term, assuming that the status of the CS does not change immediately, explicit guarantees that the Information Computing Centre reports exclusively to the CS should be formulated and agreed

# Chapter 14. Coordination

## 14.1. Coordination of the National Statistical System

According to Article 12 of the Law on State Statistics (LSS), the CS, as the "authorized body" coordinates "the activities of the central and local executive bodies and the National Bank of the Republic of Kazakhstan in making the public policy on state statistics", and develops and implements the state statistics policy. This includes preparing an annual plan of statistical activities and schedules of data collection and dissemination, covering all producers of official statistics, and approved by the government.

According to subparagraph 24 of Article 12, the CS also exercises "government control over state statistics, with the exception of audits, for compliance with the requirements of the laws of the Republic of Kazakhstan, the decrees of the President of the Republic of Kazakhstan and resolutions of the Government of the Republic of Kazakhstan on state statistics".

However, other articles of the LSS are also relevant to coordination of the national statistical system, but suggest a somewhat more limited coordination role for the CS. These include:

- Paragraph 3 of Article 21, which suggests that, in the case of censuses, the coordination role may be shared between the CS and a government-appointed committee
- Paragraph 5 of Article 26, which states that statistics based on administrative data "shall be distributed by government bodies at their own discretion"

A "unified reporting registry" functions as a tool for coordinating data collection and avoiding duplicate requests, with the aim of minimising response burden. It also provides information on statistical and administrative data already available, and therefore encourages the use of administrative data.

The previous Global Assessment noted that there were no regular coordination meetings for all bodies responsible for producing official statistics. Coordination and methodological issues tended to be discussed on ad hoc basis. It recommended that a body for discussing and implementing coordination issues between the producers of official statistics should be established, supported by a Coordination Department in the CS.

This recommendation has been partially implemented through the work of the Department of Statistical Planning, which includes:

- Planning and organization of statistical activities in the sphere of state statistics
- Planning, monitoring, developing and improving the main strategic directions of CS activities
- Organizing interactions between the state statistics bodies
- Management of the KAZSTAT Project
- Working with state bodies on the harmonization of forms for collecting administrative data, and the provision of administrative data for statistical purposes

A Statistical Council was established, but is currently not active.

An important issue is: What is the definition of the national statistical system that should be coordinated? Article 4 of the LSS on State Statistical Agencies provides a partial answer:

*"The following shall be referred to the state statistical agencies:*

*1) the authorized agency;*
*2) government bodies and the National Bank of the Republic of Kazakhstan conducting departmental statistical surveys and/or producing official statistical information in accordance with the plan of statistical activities".*

Thus the plan of statistical activities describes the existing national statistical system in Kazakhstan. How to define official statistics and certify who qualifies as a producer of official statistics, are also important questions in relation to delimiting the national statistical system. These are issues discussed further in chapter 2.

At present there are 50 statistical forms (surveys) conducted by other state authorities:

- National Bank - 31 statistical forms
- Ministry of Health and Social Development - 4 statistical forms
- Ministry of Finance - 1 statistical form
- Ministry of Culture and Sport– 1 statistical form
- Ministry of Agriculture – 13 statistical forms

The National Bank of the Republic of Kazakhstan is an important producer of official statistics. However, as noted in the previous Global Assessment report "in presenting legislative issues on its web site – www.nationalbank.kz – the National Bank does not even mention the Law on State Statistics". This is still the case. Comments from the National Bank indicate that they see the LSS as a "subordinate" legal act compared to the rest of their regulatory framework. This has potential implications for professional independence in relation to the production of official statistics (see Chapter 1), and the clear separation of statistical and administrative data collection and processing (see Chapter 2).

The light SAQ of the Ministry of Health and Social Development only refers to normative legal acts as the basis for data collection – and this was confirmed in the meeting with representatives from the Ministry. The only reference to the Law on State Statistics is that administrative data should be submitted to CS free of charge. This implies that administrative data are being used. Thus, it is difficult to understand which statistical forms (surveys) are the responsibility of the Ministry.

**Assessment and Recommendations**

Coordination within the national statistical system could be improved further, supported by clearer legislation. Discussions with CS and other government agency staff suggested that there is currently not a strong "official statistics" identity or brand, and that staff in other government departments may not always be fully aware of what it means to be a producer of official statistics.

The Global Assessment team recommends:

14.1 The forthcoming revision of the LSS should address the apparent inconsistencies in the current law, giving the CS a clear and unambiguous role as coordinator of all activities relating to the production and dissemination of official statistics within the Republic of Kazakhstan. The new law should also include specific reference to the national statistical system, similar to that proposed in the "Generic Law on Official Statistics", recently endorsed by the Conference of European Statisticians.

14.2 A stronger identity for the national statistical system should be developed, drawing on good practices from other countries. Examples of possible actions to implement this could include joint training, clearer branding and more coordinated dissemination (web sites, databases and a single release calendar for all official statistics)

14.3 All staff producing official statistics, regardless of agency, should be familiar with basic statistical principles such as confidentiality, and should have easy access to cross-government statistical policies and methodologies. Mandatory training should be available to

ensure all such staff are aware of the resources available to them, and their responsibilities as statistical staff

14.4 A coordination body should be established for the producers of official statistics within the national statistical system

## 14.2 Coordination of International Cooperation and Donors

Transfer of data to international organisations, and other international cooperation activities of the CS are managed by the International Statistical Cooperation Department. The CS participates in major international statistical bodies, such as the UN Statistical Commission and the Conference of European Statisticians, as well as selected regional and sub-regional groups. There is growing cooperation with the European Union, the Organisation for Economic Cooperation and Development (OECD), and the Organisation for Islamic Cooperation. The CS is recognised as one of the most internationally engaged statistical organisations in the Eastern Europe, Caucasus and Central Asia region.

A main strand of international cooperation over recent years has been the KAZSTAT project. Through this World Bank funded project, international expertise from a range of partner countries, has been mobilised to improve statistical capabilities in the CS. Activities under this project have helped to upgrade skills, methods, tools and processes, resulting in a significant positive impact on the production of official statistics in Kazakhstan.

The KAZSTAT project will formally close in early 2017. Discussions are at an early stage with the World Bank regarding possible financial support for a future KAZSTAT2 project. This should start as soon as possible to avoid losing momentum. The recent rate of progress is such that international organisations working with the CS expect that a KAZSTAT2 project could bring the CS to the point where it can become a net provider rather than a recipient of technical support.

The Global Assessment team met with representatives of the Asian Development Bank, UNICEF and the World Bank, who have been actively working with the CS. These organisations raised concerns about the perceived lack of independence of the CS, now that it is under the Ministry of National Economy. The importance of building a more autonomous, accountable, professional institution was stressed. Actions to build the profile of the CS with respect to other government agencies were also seen as a priority. These improvements will require investment by the government of the Republic of Kazakhstan, as well as further support by the international community (see Chapter 1).

### Assessment and Recommendations

The CS has been effective in mobilising international support, both from international organisations and other national statistical offices. The results are clear. Some work remains to be done, but there is a significant improvement in technical skills, methodology and processes since the previous Global Assessment. The main priorities going forward seem to be in the areas of autonomy and institution-building. The international partners met by the Global Assessment team see the CS as a serious and reliable partner, and are keen to support further progress.

The Global Assessment team recommends:

14.5 The CS should urgently explore the options for a “KAZSTAT2” project, to keep the present strong momentum for improvement.

14.6 The CS should develop a clear long-term strategy for international cooperation, focusing mainly on institution-building activities

# Chapter 15. Macroeconomic Statistics

## 15.1 National Accounts

In December 1992, the decision on the State programme on the reorganization of statistics 1992 - 1995 served as the basis for introducing a system of national accounts (SNA 1993). Since then national accounts have gradually been developed and the work on the change-over to 2008 SNA is currently a main priority. For annual national accounts data are available from year 1990, quarterly data from 1994 and annual data of regional national accounts since 1990, and quarterly data from 2008.

The responsibility for national accounts in Kazakhstan lies with the National Accounts Division in the CS. Inter-institutional cooperation bodies are also in place bringing the CS together with other compilers and key stakeholders, i.e. an advisory council on economic statistics, a working group on methodological issues for national accounts and the financial sector, and a working group on the implementation of environmental-economic accounting.

The National Accounts Division is divided into 3 groups. One group, "Current accounts", is responsible for Gross Domestic Product (GDP) and Gross Regional Product (GRP) calculations and the current accounts of the sequence of accounts. This group also compiles some monthly real sector estimates used as input by the Ministry of National Economy for forecasting purposes. This group has a staff of 8 statisticians. The second group, with 4 staff members, is responsible for supply and use tables and input output tables. The third group has 6 employees, and is responsible for the capital account, financial account and satellite accounts – currently the tourism satellite account.

National accounts have significantly benefitted from international cooperation in recent years, in particular from the KAZSTAT project. Methodology, nomenclatures and classifications have been largely aligned to be compliant with internationally agreed standards and recommendations through the above-mentioned project. Kazakhstan has also actively participated in the UNECE led SNA 2008 regional implementation programme. The 2008 SNA has not yet been implemented and currently the SNA 1993 is still being applied. When introducing new methods in Kazakhstan, this is done by a formalized CS document on the adoption describing the new method. In recent years several methodological national accounts issues have been adopted addressing the treatment of methodological issues introduced by the 2008 SNA as well as other "basic" national accounts issues.

Nomenclatures and classifications used in Kazakhstan for national accounts are based on international classifications. The classification of types of economic activity corresponds to the European classification, NACE Rev. 2. CPA 2008 is used to classify products by types of economic activity. The classification of economic sectors corresponds to the SNA 2008. The classification of functions of government bodies corresponds to the classification of functions of government bodies (COFOG, 2008 SNA), and the classification of goods and services for individual consumption by purpose corresponds to the classification of individual consumption by purpose (COICOP, SNA 2008).

The implementation of 2008 SNA is still work in progress, and work remains to finalize the new treatment of research and development and capitalization of military expenditures. It is not yet clear when the 2008 SNA will be fully implemented, due to a high work load and lack of human resources in the national accounts division.

**GDP – production approach** is compiled both on an annual and a quarterly basis. For the annual GDP a first estimate is published on the 45$^{th}$ day after the reporting year. An updated

estimate is published 3.5 months after the reporting year and final data after 7 months. A first estimate of quarterly GDP is published 45 days after the reporting period. Updated estimates are published 90 days after the quarter and is presented on a cumulative and non-cumulative basis, and the final assessment equals, due to the cumulative approach, the annual GDP. Both annual and quarterly GDP by the production approach are calculated at current prices and constant prices (previous year and base year 2005). In addition, gross regional products are also compiled on an annual and quarterly basis.

Data sources for the non-financial sector are based on primary statistics and their annual and quarterly surveys. For the financial sector, data from the National Bank, private banks, pension funds and insurance companies are used. For the general government, budget information is used and surveys on income and expenditures are used for the household sector.

Estimations on the non-observed economy (NOE) are carried out based on the guidance developed by OECD and Eurostat. Information is collected from various government sources that serve as the basis for the calculations of illegal activities including the drug industry, prostitution, poaching, illegal alcoholic products, unauthorized copying and contraband. The method for the NOE calculations was developed in cooperation with international experts in the KAZSTAT project. Estimations of the NOE are important also in light of its large share of the economy. In year 2015 the NOE share of the economy was estimated at 27.5% of GDP.

**GDP – expenditure approach** is also compiled on an annual and quarterly basis. For the annual GDP, the first preliminary figures are published 4 months after the reporting year and final figures after 11 months. Quarterly figures are published 105 days after the reporting periods.

The surveys on income and expenditures of households, reports on the sales of goods and services and from the state budget, are the bases for the calculation of final consumption expenditures. For the calculation of gross capital formation, reports from investments and inventories of fixed assets are used in addition to structural business statistics and price statistics. For the in- and outflow of goods and services information from the balance of payment statistics and the customs are utilized. Household final consumption expenditures are deflated by sub-indices of the CPI while government expenditures are deflated by cost components and changes in inventories by the PPI.

Annual **GDP – income approach** is first published 3.5 months after the reporting year and final figures 7 months after. Quarterly figures are published 90 days after the reporting period. Main data sources are labour reports and tax information.

Statistical discrepancies between the GDP by production and expenditure approaches are shown, where the production approach is considered the more reliable.

**Input-Output Tables (IOT)** and **Supply Use Tables (SUT)** are important tools to obtain consistency and to check coverage of the system of accounts. After the introduction of the SNA 1993, IOT and SUT are being compiled according to international methodology. IOT and SUT are available in current prices and are compiled annually. SUT tables are published in a matrix of 72x125 of industries and products. The size of the underlying working table is 114 x 698. The IOT are published in 68 x 68 matrixes with a working table of 114x114 matrixes.

Concerning the sequences of accounts in national accounts, the production and income accounts are fully being compiled. For the accumulation accounts, the CS is currently working with the National Bank to provide data on changes in assets. A balance sheet is also being worked on, and the CS has an ambition to establish a balance of assets and liabilities

sheet after 2019 when they are expecting to receive the currently missing financial balance sheet information on the general government.

For the satellite accounts, the CS has developed and publishes the satellite tourism account. With the support of international experts, they expect to finalize the on-going work on the environmental-economic accounts in 2017 aiming at a first publication in 2018 (see Chapter 19.5). Work is also on-going to develop the health satellite accounts.

The national accounts are published on the CS internet pages and are also available in English in addition to Kazakh and Russian. In addition, annual paper publications are published.

**Assessment and Recommendations**

The assessment of national accounts within the framework of this global assessment is not going into depth but rather checking on the overall compliance with international standards and guidelines. National accounts in Kazakhstan seem broadly to comply with international methodology and standards. During the KAZSTAT project, many improvements have been achieved, or are planned for in the near future. However, the completion of important work on the implementation of 2008 SNA is still pending and it is uncertain when this will happen. One critical factor seems to be that the number of staff is insufficient compared to the rather high work load. Since the balance of payments has already changed to the revised balance of payments methodology this creates a situation where these two macroeconomic statistical systems are not harmonized.

The Global Assessment team has the following recommendations:

15.1 The CS should continue the implementation of 2008 SNA with respect to the new guidelines on the sub-sector for financial corporations and financial instruments and establishing methods for remaining issues like R&D and capitalization of military expenditures. The change-over to 2008 SNA should be given a top priority, and since the BOP already changed to the BPM6 there is currently an unfortunate methodological discrepancy between BOP and national accounts.

15.2 If it is not possible to increase staff, the CS should consider a clear prioritization of the core national accounts issues. This could mean, for example, considering the importance of compiling monthly national accounts information as well as calculating the index of labour productivity. However, given the importance of national accounts for the governance of countries, the necessity to equip the National Accounts Division with the adequate resources is re-iterated.

15.3 Even if a close and formalized cooperation with other producers of macroeconomic statistics is in place, the CS could consider making better links to other statistics, helping users to have easier access to the whole range of macroeconomic statistical information.

## 15.2 Government Finance Statistics

Government finance statistics (GFS) are compiled in the Ministry of Finance's Department of Government Finance Accounting and Statistics, Office for Maintenance and Harmonization of GFS. According to the 2008 global assessment report, GFS were being compiled according to the 1986 GFS methodology of the IMF. However, in meetings with the GFS compilers, they informed that this was not correct and that the changeover to the 2001 GFS methodology took place already in 2002 (data for year 2001). After receiving the translation into Russian of the new GFS manual, it is planned to compile the GFS according to this new revised methodology (the GFSM 2014), that is close to fully harmonized with the 2008 SNA.

Concerning resources, 5 staff members are involved in the Ministry of Finance in the compilation of GFS but they also carry out other tasks such as bulletins and tables for national needs, SDDS, metadata etc. Staff compiling debt statistics are employed in another part of the ministry – the Debt and Loan Division.

GFS data are compiled on an annual and a quarterly basis. The annual GFS is following the yearly GFS IMF template. However not all tables are completed. Tables 4, 5 and 9 are not compiled concerning transactions in holding gains and other changes in volume by financial instruments and sector. The annual GFS reports are available back to the year 2009. The quarterly GFS table is a statement of the sources and uses of cash by main types of receipts and payments, cash outflows from investments in non-financial assets and net acquisitions in financial assets other than cash and net incurrence of liabilities. The annual and quarterly GFS reports are also available in English on the web pages of the Ministry of Finance.

In the SDDS it is foreseen to report on three categories of the fiscal sector – quarterly general government operations, quarterly central government debt and monthly central government operations. Currently Kazakhstan is using a flexibility option by not reporting to the IMF on monthly data on central government operations (high frequency reporting).

In terms of coverage, the GFS has been extended since 2013 to also include the Government Fund of Social Insurance, GFSS. In 2015 updated time series from 2009 to 2014 were published on the web site of the Ministry of Finance, also in English. The National Fund of the Republic of Kazakhstan (NF) that was created in year 2000 to manage the revenues related to the extraction of oil is included in the central government. Its daily operations are managed by the National Bank. In 2013, the government established a pension fund, the Single Accumulative Pension Fund (SAPF). The government has a 100 percent equity ownership in SAPF, which covers the entire population of the country. Pension assets and liabilities accumulated in private pension funds are gradually being transferred to SAPF. SAPF has not yet been included in the GFS, but the question of its inclusion will be considered at a later stage. First of all it is necessary to review the results of the reform of the pension system, with the purpose of institutional classification of the Unified Accumulative Pension Fund according to GFSM 2014.

The main data sources for the compilation of GFS are the budget reports of the central government bodies and local government bodies, prepared by the Ministry of Finance. The Ministry of Health and Social Development provides information on the. The Treasury within the Ministry of Finance provides financial statements underpinning the compilation of the financial transactions and positions.

Currently the budget data are cash based. An accounting reform is currently being worked on, which will establish new accrual accounting rules and IPSAS-based reporting formats. It is also planned to revise the chart of accounts that would hopefully provide a better compliance between budget data and GFS. Currently two charts of accounts are in use – for the budget

execution and government entities - establishing one single chart of accounts should bring more consistency across reports.

In 2015, an interagency council on economic statistics was established bringing together compilers of macroeconomic statistics and some main users and data providers. In this group, issues of data exchange are discussed as well as methodological issues. One issue that could usefully be discussed in this group is the classification of the pension fund SAPF.

In light of the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practise, one issue of concern is the approval of data by the vice-minister upon publication. However, according to national legislation other than the Law on State Statistics (LSS), all information sent out for publication by the ministry has to be approved by the minister/vice-minister. In cases of disagreement between statisticians and the vice-minister, the decision would be with the vice-minister.

**Assessment and Recommendations**

The GFS in Kazakhstan seems to have developed in a positive way in recent years, in particular an improved coverage i.e. now also including the social security insurance fund.

One of the key principles of both the UN Fundamental Principles of Statistics and the European Statistics Code of Practice is professional independence. This means that the competence on how to produce and disseminate official statistics should be with the producers of official statistics. In many countries official statistics are produced by a number of government bodies such as ministries. Typically GFS are produced by the ministries of finance, as in Kazakhstan. Since ministries are headed by politically elected ministers this could challenge international recognized statistical principles. Even if the LSS foresees the professional independence of the producers of official statistics, other national legislation could contradict the LSS. This seems to be the situation where the vice-minister of the Ministry of Finance needs to approve GFS before publication.

The Global Assessment team has the following recommendations:

15.4 It is recommended to take steps to ensure the professional independence of GFS by allowing GFS to be produced and disseminated without any political influence.

15.5 The on-going accounting reform that introduces accrual accounting in central and local government, as well as revising the chart of accounts, is welcomed. In this process it is highly recommended that GFS compilers are involved in processes so that the reform also facilitates the needs for GFS.

15.6 The treatment of the government pension fund not yet included in GFS should be discussed in the advisory council on economic statistics to ensure a consistent treatment in all macroeconomic statistics i.e. national accounts.

15.7 The Ministry of Finance should initiate efforts to start compiling tables 4, 5 and 9 in the GFS yearly questionnaire, i.e. re-valuations, holding gains and losses and other changes in volume.

15.8 The plan to introduce GFSM 2014 from 2017 is highly supported, and in addition it is encouraged to the start compiling the missing tables of the yearly questionnaire also ensuring the reporting on the recommended level of details.

15.9 In the SDDS, one flexibility option is followed by not reporting on monthly central government operations. It is encouraged to look into the possibility to start providing this SDDS indicator.

15.10 The financial balance sheet is currently being compiled and reported for IMF's yearly GFS reporting purposes. The Ministry of Finance should also provide national accounts with the necessary information to facilitate the compilation of the accumulation accounts.

15.11 Data should be revised backwards to reflect the new treatment of the GFSS.

## 15.3 External Trade Statistics

External trade statistics (ETS) in goods are compiled on a monthly, quarterly and annual basis showing foreign trade by type of goods, by regions of Kazakhstan and by trade partners. Trade in services are compiled on a quarterly and annual basis.

For trade in goods export and import monthly price indices are compiled, and on the basis of these price indices volume figures are compiled.

In Kazakhstan, external trade statistics (ETS) are divided among three public bodies: the CS, the State Revenue Committee and the National Bank of Kazakhstan. The CS compiles external trade in goods with its trade partners in the Eurasian Economic Union (EAEU), currently Russia, Belarus, Armenia and Kyrgyzstan. ETS on countries other than members of EAEU are compiled by the Division of analysis and statistics of the Department of analysis, statistics and risk management at the Committee on State Revenue, which is part of the Ministry of Finance. This committee is the tax and customs authority in Kazakhstan. ETS in services are compiled by the National Bank.

The legal framework that regulates ETS in Kazakhstan reflects the division of labour between the three public bodies. Since the EAEU is also a custom union, the legal framework governing ETS in goods is the Law on State Statistics (LSS) and relevant EAEU provisions. In addition, the CS has signed memorandums of cooperation with the Russian customs authorities and the National Statistical Committee of the Kyrgyz Republic. The CS also compiles price indices for export and import in goods.

Concerning ETS on services, the National Bank is a state statistics body in the LSS and thereby governed by that law. However, the law on the National Bank also stipulates in subparagraph 16 Article 8, that the National Bank develops a statistical methodology and determines the list, forms, timeframes and procedure for submitting primary statistical data on cash circulation, monetary and banking statistics, balance of payments, external debt and international investment position in consultation with the authorized state body (CS) in matters falling within its authority. Further, the law on the National Bank states that in sub paragraph 18 Article 8) that the National Bank forms and disseminates statistical information on the review of the financial market, monetary and banking statistics, the balance of payments, the international investment position and external debt, participates in the development of forecasted estimates of the balance of payments. ETS in services is compiled as an integral part of the production of the balance of payment statistics (BOP), and for BOP a separate government resolution additionally defines the responsibility and rights of the National Bank - № 71 dated 29 January 1999.

The ETS in goods with EAEU countries are compiled by the Division for Services and Energy Statistics. In the CS, 6 staff members are involved and about 10 persons in each of the 16 regions. However, on the territorial level these persons are not only working on ETS.

ETS in goods with non-EAEU countries are compiled by the Committee on State Revenue, in the Division of analysis and statistics of the Department of analysis, statistics and risk management, by 4 specialist staff.

ETS in services are compiled by the Balance of Payments Division of the National Bank, totalling 12 staff members as well as staff in the 16 territorial branches. ETS in services are compiled as an integral part of the balance of payment statistics.

The resources in terms of number of staff members seem adequate.

Concerning data sources; For ETS in goods within EAEU countries, a specific statistical form (1-TC) "Report on bilateral trade between Member States of the Eurasian Economic Union" is used for the flow of goods. Once a month this form should be transmitted by both exporters and importers to the CS.

In order to check and correct data, several checks are carried out monthly, enabled by a software package linked to the TC-1 form. These are checks on format, logical checks on prices, quantities etc. The data are also checked with tax data. In addition data from the National Bank and the Ministry of Agriculture are also used.

For ETS in general, and in all counties, the inconsistency problem when mirroring trade statistics is a well-known problem. In this respect, and based on the memorandum of cooperation with the Russian customs authorities, a monthly exercise has been put in place where the data from Kazakhstan are compared with the corresponding Russian data. This has been instrumental for identifying errors and eliminating inconsistencies. So far Russia is the only partner country where such a procedure is in place on a regular basis.

ETS in goods with non-EAEU countries: As for all countries, for external trade in goods the main data source is customs documents. The customs documents, filled by the declarants during the customs clearance process of goods, provide data on exporter/importer, prices and volumes of the exported and imported goods. The data undergo logical checks and errors are corrected as appropriate.

The ETS in goods produced by the CS and the Committee on State Revenue are transmitted to the National Bank, where additional sources are utilized and adjustments are done in the context of the production of BOP. Based on information from the Border Control of the National Security Committee on individuals' border crossing by country and purpose, the National Bank makes adjustments to imports and exports in goods by country and purpose. In addition, transport companies report on statistical forms on their services provided to residents and non-residents.

ETS in services is produced on a quarterly basis, and is based on a number of surveys and administrative sources through the National Bank's mandate for the production of BOP. In addition to information on border crossing of cargo and persons by road and railway, other governmental bodies also provide data such as the Ministry of Healthcare on labour migration and the Ministry of Economy data on technical assistance grants. Surveys on enterprises engaged in external transactions such telecommunications, banks, insurance companies and other financial corporations are carried out as well as individuals' financial transactions.

The access to administrative date is informed to be good and adapted to take into account the needs for statistics to be in compliance with international statistical guidelines. The collections of external trade in services from non-financial corporations could be improved by facilitating more electronic collection methods. It is also an ambition to improve the collection of data from financial institutions by streamlining forms and thereby reducing the number of forms. The National Bank has an ambition to develop a web portal for electronic reporting for statistical surveys.

In particular, the system for checking ETS in goods with Russia with counterpart information gives very reliable data. Since Russia is a major trade partner this affects the quality of the

statistics positively. The memorandum of cooperation with the National Statistical Committee of the Kyrgyz Republic can also be a potential to further increase the quality on the mutual trade between the two countries. Another quality check on ETS in goods is carried out on EAEU trade through an annual assessment and monitoring exercise on the accuracy and reliability where the CS reports to the Eurasian Economic Commission (EEC) through a questionnaire on the quality. ETS in goods is also checked with primary business and agriculture statistics.

The production of ETS in goods the follows the concepts and methods described in the methodological recommendations in the UN Statistical Division's "International Merchandise Trade Statistics: Concepts and Definitions, 2010", whilst for ETS in services the BPM6 is applied. For ETS in goods, a common methodology for members of the EAEU is also applied. Also, the countries of the EAEU apply the commodity nomenclature of foreign economic activity. This nomenclature is based on and compliant with the international HS-nomenclature. In addition, the UN classification "Broad Economic Categories" (BEC) is used as well as terms of commercial trade set defined by the International Chamber of Commerce (ICC) in the so-called Incoterms (2010). ETS seems broadly to follow recommendations of both Eurostat and the UN Statistical Division.

ETS in goods are published monthly, quarterly and annually both in current prices and volumes. Prices indices are also compiled and published on a monthly basis on the 40$^{th}$ day after the reporting month, also benefitting national accounts. The CSR publishes data on foreign trade statistics on its own web site (Committee of state revenues of the Ministry of Finance of Kazakhstan), and the CS brings together and publishes all ETS in goods on its web site as well as a section in the monthly report on the "Socio-economic development of the Republic of Kazakhstan", monthly press releases and bulletins on the mutual EAEU trade, a quarterly bulletin on "Indicators of the State programme of industrial-innovative development of Kazakhstan" and an annual publication "Foreign trade in the Republic of Kazakhstan".

ETS in goods are transmitted to the National Bank, where the data, after some adjustments and inclusion of information from other data sources as described above, are included in the BOP statistics.

ETS in services are published quarterly and annually, in the context of BOP publications. The timeliness and punctuality of the publications are in line with international recommendations and follow the BPM6 manual. The BOP statistics are published on the National Bank web site. The BOP is also included in the release calendar of the CS.

ETS are reported to international organisations such as EEC, CISSTAT, UNSD and IMF (SDDS).

**Assessment and Recommendations**

Despite that there are three institutions involved in the production of ETS in Kazakhstan, it seems to function rather well, in line with international recommendations, apart from that ETS in services have no separate publication but are only published as an integral part of BOP. For ETS in goods, international recommendations and guidelines were implemented. As a part of the KAZSTAT project, ETS benefitted in particular from the cooperation with Germany on adjustments of trade data with custom union partners in cases of non-response by using tax data. The CS has also started work to compare information in the statistical business register with data on those entities captured in the ETS. This would allow for additional information and checks on the economic activities and other characteristics of those entities engaged in foreign trade.

The totality of the legal basis for the production of external trade statistics in Kazakhstan is spread over three laws: the LSS, the law on National Bank and the Customs Code. Concerning the relation between CS and Committee on State Revenues, the LSS does not provide the CS any authority or coordination role. Concerning the National Bank, the LSS considers it a state statistical agency, giving the CS a coordinating role. However, the law on the National Bank itself indicates the statistical cooperation between these two institutions is more of a consultative nature.

Concerning dissemination, the CS disseminates external trade in goods with both EAEU countries and non-EAEU countries, while trade in services is published by the National Bank as part of the BOP. In addition, the CS publishes data of the National Bank in its publications of the monthly, quarterly and annual periodicity, which are posted on the official web site of the Committee on Statistics. In turn, the National Bank publishes data of the CS on its web site. In publications there is a link to the source of information, which is the data developer. On the web site of the CS there is a link for users to the web site of the Committee of State Revenues of the Ministry of Finance on Statistics of Foreign Trade in Goods.

On this basis the Global Assessment team gives the following recommendation:

15.12 A separate compilation on external trade in services could be considered in line with international methodology and recommendations, as well as a joint publication for both external trade in goods and services. The three institutions involved should discuss how to proceed on this point.

## 15.4. Balance of Payment Statistics, international investment position and external debt

Statistics of foreign accounts, including the balance of payment statistics (BOP), international investment position and external debt are compiled and disseminated by Division of Balance of Payments and Division of International Investment in the Balance of Payments and Currency Regulation Department of National Bank of the Republic of Kazakhstan (NBRK). In addition to above mentioned statistics the Department is in charge of issues related to the NBRK's policy on currency regulation and currency control.

The Division of the Balance of Payments and Division of International Investment consists of 26 employees. Other resources, such as computing resources, are also adequate. In addition, staff members in the 16 regional branches of the NBRK are also involved. The recruitment of staff is on an open and competitive basis. Staff are invited to take part in training and internships to develop and improve professional skills.

BOP statistics have progressively developed since they started in 1997. From 2013, BOP, IIP and external debt statistics have been compiled according to the BPM6, where time series have been revised back to year 2005. The NBRK also submits SDDS statistics to the IMF on the external sector and also participates in the IMF coordinated surveys on portfolio investments and direct investments. In 2011, they started dissemination of public sector external debt statistics in an expanded definition. In Kazakhstan, the production of external trade statistics is divided between three institutions. The CS compiles the trade in goods with other Eurasian Economic Union (EAEU) members, the Custom and Tax Statistics Division of the State Revenue Committee (Customs) compiles the trade in goods with countries outside the EAEU whilst the NBRK compiles the trade in services with all countries (see Chapter 15.3).

The NBRK is specifically mentioned in the Law on Statistics (LSS) where it is defined as a state statistical body with the corresponding competence and authority and responsibility described in the LSS pertaining to such bodies. In addition, in the Law on the NBRK the function as producer of statistics is mentioned. Moreover, a separate government resolution on balance of payment (No 71, January 1999) describes more in detail NBRK's function as BOP compiler and the responsibilities of respondents to provide the NBRK with necessary information. Finally, the annual statistical work plan of Kazakhstan includes the statistical work of the NBRK.

As mentioned above, BOP statistics in Kazakhstan follow the BPM6 methodology. In addition, the statistical production of the external sector in total also follows international methodology and guidelines such as the Manual on Statistics of International Trade in Services (MSITS 2010), the OECD Benchmark Definition of Foreign Direct Investments (2008), "External Debt Statistics: A Guide for Compilers and Users" (IMF, 2013) for external debt statistics and the IMF guidelines on international reserves and foreign currency liquidity, the IMF guidelines on public sector debt etc. In addition the Governor of the NBRK has issued resolutions that govern the statistical activities of the NBRK.

For the compilation of the statistics, a broad range of data is collected. Primary data for BOP statistics are collected through various surveys by authorized state statistical agencies, using 17 statistical forms. Administrative data and information from the NBRK itself are also used. As already mentioned, the State Revenue Committee provides data on trade in goods outside the EAEU and the CS inside the EAEU, which feed directly into the BOP. The Border Control of the National Security Committee provides data on border passing and the Ministry of Labour and Social Protection of Population on labour migration. The Ministry of Finance provides data on external state assets and liabilities and the Ministry of Economy provides data on technical assistance grants. From the private sector data are received from banks, security traders, branches of foreign companies, domestic enterprises and individuals engaged in foreign economic activities and insurance companies. Data from the National Fund (sovereign fund) is obtained from the NBRK.

BOP statistics are compiled and disseminated on a quarterly basis. The first preliminary figures are disseminated on the 30$^{th}$ day after the quarter and final figures on the 90$^{th}$ day. Alongside the dissemination of the data, news releases are published. About 100 days after the quarter analytical comments are also published in the publication "Kazakhstan: Balance of payment and external debt". Metadata and methodological explanations are available, also in English. The BOP presentation follows standard guidelines with current account and capital accounts by types of transactions and financial accounts by types of instruments by institutional (sub) sectors. The statistical discrepancy between net-lending/net-borrowing from the non-financial side with those from the financial side is also published. Publications are available both as excel files that can be downloaded and as paper publications with more comments that are also available in as downloadable pdf-files.

The professional independence of statisticians is well respected and no interested parties have pre-access to the data before they are published. Through the release calendar all users are well informed about when the data will published. Comments on revisions and amendments in the data are also communicated in the quarterly publications. Changes in methodology are communicated by separate news releases.

**Assessment and Recommendations**

Overall, BOP statistics seem to be compliant with the BPM6 methodology and given the resources and available the BOP and other external trade statistics seem to be in a good shape and have developed positively in recent years. Even if formalized groups exist, the change-over to BPM6 has not been coordinated with the similar change-over to SNA 2008 for the national accounts, this means that BOP and national accounts in Kazakhstan are currently not methodologically harmonized. However, this lack of coordination on the implementation of new macroeconomic methodology cannot be reversed.

The Global Assessment team recommends:

15.13 There should be better coordination between BOP and national accounts in the future, e.g. the implementation of BPM6 was carried out earlier than the 2008 SNA.

## 15.5. Price Statistics

Price statistics are compiled within the CS, by the Division for Price Statistics. This Division has 29 staff, supported by approximately 300 people in regional offices. The CS confirms that price statistics are compiled in-line with international standards, particularly the 2008 System of National Accounts, and the guides to consumer and producer price indices, published jointly by the main international organisations. These are translated into national methodologies, such as the “Methodology of building of a consumer price index”, which was approved in December 2015, the “Methodology for constructing producer price indices in industry” (approved in May 2016) and others.

Prices are observed, on a sample basis, throughout the country. They are collected either through statistical surveys, or by direct observation. Internet reporting has been introduced. Weighting is used, and the weights are reviewed annually.

Most main price indices are published monthly, on the first day of the month. Published figures are not revised, though if a base-year or classification changes, data are produced to link the old and new series. Data are published on the “Taldau” dissemination system, but with a slight delay.

The previous Global Assessment recommended making longer time-series of consumer and producer price indices available. Data are now available back to 1992. It also recommended a review of user needs regarding producer price indices. Contacts with users and respondents have been improved, including through “round table” meetings.

A number of improvements have been carried out in the context of the KAZSTAT project, with the support of international experts. One example is the introduction of price indices for service industries.

Future priorities include studying the potential to use data from scanners, and from scraping Internet sites. Producer price indices for services, and a cost of construction index are also considered priorities for further development.

**Assessment and Recommendations**

Good progress seems to have been made since the previous Global Assessment, particularly in the context of the KAZSTAT project. Regarding the possible future use of new data

sources, there are various international initiatives, including a UNECE project on integrating data from multiple sources, which might provide valuable experiences and lessons learned.

The Global Assessment team recommends:

15.14 The CS should move towards a fixed and precise release time for key economic data, including price statistics. For example, at exactly 10am on the first day of the month. This is seen as good practice internationally, when data may be seen as market-sensitive.

15.15 Data should be released on the "Taldau" dissemination system at the same time as they are released via other channels, to ensure equal access to data.

15.16 The CS should follow international developments in the use of new data sources for price statistics, to benefit from the experiences of other countries.

# Chapter 16. Business Statistics

The production of business statistics in Kazakhstan is based on the law "On the State Statistics". The CS is the authority in charge of all business statistics. Administrative data collected by other agencies are used where possible.

The CS maintains the statistical business register (SBR), established already in the 1990's, as the primary source of sampling frames for all economic surveys. The agricultural register is a satellite to the SBR taking units from the SBR but including domain specific characteristics.

The CS produces structural business statistics (SBS) covering all commercial enterprises and organizations (legal units) of the non-financial sector of the economy with the exception of public administration, education and health. SBS build on units covered in the SBR and the agricultural register. SBS provide national accounts with information on gross value added and intermediate consumption. SBS are published annually and quarterly (the latter mostly for national accounts). The publications cover financial and economic activities of small, medium and large enterprises and national companies.

The CS compiles a variety of short-term statistics (STS). For example, Short-term production statistics are produced by economic activity (NACE divisions, groups and classes) and types of goods (PRODCOM). The indices of industrial output and construction describe changes in physical volumes between comparable periods. Industrial output is measured using a fixed set of goods, and the indices on the level of goods are then aggregated as weighted averages to economic activities. Construction is measured using cost data in current prices that are then deflated with price indices. The index of construction also attempts to take into account the hidden and informal economy.

For retail trade and commercial services, data from national statistical surveys are used:

- For retail trade - monthly periodicity, form 2-trade
- For commercial services - quarterly periodicity, form 2-services

For the formation of the sample, the classifications of CCEA and CPEA are used, developed on the basis of European classifications NACE and CPA. In software packages all the necessary format-logical controls are provided. In retail trade and commercial services, data from tax authorities are used for data analysis, and the possibility of using administrative data in service statistics is under consideration.

For example, in retail trade, data from tax authorities have been used since 2016 when conducting sample surveys to improve the quality of sampling data.

In the framework of short-term statistics on retail trade and commercial services, efforts are being made to reduce the burden on respondents. Thus, a sample survey is conducted for small enterprises and individual entrepreneurs.

The quality control of business statistics follows a three layers' model: regional offices have a good knowledge of local enterprises, the Information Computing Centre carries out logical and format validations, and the central office has direct contacts with the biggest enterprises to ensure consistency of the reported data. Basic validations are integrated into the online questionnaires.

**Assessment and Recommendations**

Concepts, definitions and classifications used in business statistics generally follow international guidelines and are consistently applied across statistics. Work instructions are comprehensive and up-to-date. The existing process documentation provides a good basis for further modernisation of the production of business statistics.

To collect feedback from users, the CS regularly organises seminars and round tables with regional offices, the media, government officials and business sector. In addition, the CS holds “open days” for the users of statistics.

***Statistical business register***

One of the main tasks of the Statistical Business Register (SBR) is to keep all the records included in the register up to date. The procedure for updating is regulated by methodology for updating the statistical business register and the formation of the directory survey units in the statistical bodies (№96 from 24.06.2015). The SBR is updated daily on the basis of incoming data from administrative sources, statistical surveys and other sources.

The SBR benefits more and more from new technologies, such as from online data flows from regional and administrative sources. Regional offices and administrative data providers submit their data directly to a central data storage that is used by the CS for updating the SBR.

The use of administrative data sources in updating the SBR is well-established. Signed agreements exist with main administrative data providers: The Ministry of Justice, State Revenue Committee of Ministry of Finance and Ministry of Health and Social Development. Administrative data are used only to fill the Statistical Business Register and update data on economic activities of subjects, while survey data are used to update economic performance variables. Efforts to reduce response burden on businesses have been made by improving questionnaires and signing integration agreements with administrative data providers.

Information (registration, re-registration, liquidation, reorganization) on legal entities and information on individual entrepreneurs (registration and removal from the register) are received daily online.

Information for legal entities and individual entrepreneurs about taxes and other obligatory payments is received every month. This information is used to update data on the economic activity of entities.

Quarterly information is received about the number of employees in legal entities, branches and representative offices, individual entrepreneurs, peasant (farmer) households. This information is used to update information on the number of employees in the SBR

Quarterly information is also received on entities which transferred compulsory pension contributions with the indication of the amount of contributions and the number of persons for whom payments were made. Also, every quarter, information on inactive taxpayers is received. These sources are used to update the economic activity of entities.

Recently, the CS has put a substantial amount of planning and maintenance work into safeguarding the quality of the SBR. In 2017, it is planned to develop quality reports. One problem is enterprises that are inactive, or for which there is no information, but which have not been officially liquidated. Such enterprises can remain “live” in administrative sources for many years after their actual closure.

The CS plans to introduce profiling to better understand and describe the structures and activities of large and complex enterprises and to define appropriate reporting units. So far, there have not been enough resources for this activity.

Today, there are quite a few statistics that are published directly based on the SBR. The monthly statistics include the following: the main demographic indicators of legal units and individual entrepreneurs; registered and existing legal units, branches and representative offices with foreign participation; age of registered and active legal units by regions and by activities. The weekly statistics include the list of registered legal units, branches and representative offices by regions. In addition, the CS provides a constantly updated online service for searching legal units or individual entrepreneurs, in line with the national statistical law, article 8, paragraph 4. Users have expressed satisfaction with statistics and services based on the SBR.

### *Structural business statistics*

The coverage and quality of SBS for the service sector was seen as a weak point in the GA2008. The situation has improved, with all business sectors now covered.

The reporting unit in the SBS is now more often an enterprise or a legal unit instead of a functional unit typically used in the past. Some of the biggest companies report data for one unit only from the head office. That causes some difficulties in compiling statistics on economic activities. Better profiling of enterprises would help to define appropriate reporting units for the largest enterprises. This would provide national accountants with a better and more correct understanding of enterprises' activities from the SBS.

Administrative data from the State Revenue Committee of the Ministry of Finance are used for individual entrepreneurs. Data for all other units are collected using annual and quarterly surveys. Efforts to reduce response burden on businesses have been made by developing online electronic data reporting. More than 50 percent of enterprises have started to present their data electronically.

### *Short-term statistics*

The sources of short-term production statistics are primary statistical data from surveys of industrial and construction enterprises, administrative data of state agencies for architectural and construction control and local executive bodies for architecture and urban planning, as well as data from the oil and gas information and analysis centre.

Most of the data are collected through a monthly survey conducted among all enterprises belonging to the general population. Sampling is only used for individual entrepreneurs. Efforts to reduce response burden on businesses have been made by developing online electronic data reporting. The response rates for surveys on short-term production statistics are high.

Data processing includes arithmetic logic, format-logical control, control for the presence of extreme values and compliance with the established permissible limits. Editing of data is carried out at the level of input of primary data by means of arithmetic logic and format-logical controls. Seasonal smoothing is carried out to assess and exclude the dynamics of seasonal and calendar factors from the initial series.

The indicators of short-term production statistics are published on the CS web site 11-17 days after the end of the reporting period according to the Graph of Dissemination of Official

Statistical Information. The CS has a well-developed policy for reviewing short-term production statistics, which is described in detail in the documentation for editing and disseminating data. In accordance with the data revision policy, after obtaining the final annual results, operational statistical indicators are edited by updated annual data.

The Global Assessment team has the following recommendations:

16.1 The CS should continue to maintain the good documentation of the production process to support everyday work and training of new staff.

16.2 The CS should continue to study and implement relevant improvements based on international standards and good practices of other countries in producing business statistics.

16.3 The CS should assess possibilities for streamlining the cooperation and division of work between the regional offices, the Information Computing Centre and the central office to avoid any duplication of effort or loss of information in the process.

16.4 The CS should continue its efforts to learn from the users of business statistics.

16.5 The CS should review the possibilities of using economic data held by administrative data providers more widely. This could help to improve the coverage of the service sector and the coverage of small enterprises, for instance by estimating their output based on tax data. The CS should initiate discussions with the relevant authorities about using economic data in their possession to improve the quality of business statistics and to reduce response burden.

16.6 Methods for quality improvements should be addressed with the relevant administrative data providers based on the newly established annual quality reports that assess the quality of administrative data. Identified solutions for quality improvements would benefit both the CS and the administrative bodies. These discussions should result in concreate development plans.

16.7 The CS should study methodologies used in other countries in quality control of SBR, especially to improve identification of inactive units and implement improvements.

16.8 The CS should assign additional resources to the profiling activity, as the quality of economic statistics depends significantly on the accuracy and consistency of data on large and complex enterprises. This would be likely to reduce duplication of efforts in various statistics and increase consistency of data. Launching the profiling of the largest and most complex enterprises could significantly improve the quality of business statistics and their usefulness for national accounts as well as the coherence across economic statistics. Studying the solutions applied in other statistical offices would be useful for getting started.

16.9 Regular meetings between experts in business statistics and national accounts should be introduced to discuss information needs and quality improvements.

# Chapter 17. Social Statistics

## 17.1 Population Register

The CS is developing a population register which is a copy of the register within the Ministry of Justice. A personal identification number (PIN) is introduced in the register. The major challenge at the moment is the lack of quality information on external migration. There is a project within the Ministry of Internal Affairs to improve electronic registration and to use a PIN, which should improve the quality of the population register. The overall quality of present register is not good enough to use it as a basis of demographic statistics.

A statistical register of housing is maintained by the CS. It is the basis for sampling in social surveys. The housing register has some links to the statistical population register as it includes the identification number of the owner from the population register or the business register, depending on the type of owner.

Since 2012 the CS has been able to create family links based on vital registration data. The plan is to use the 2020 census to provide information for actions that took place before 2012.

**Assessment and Recommendations**

The population register has some important elements of a national register and can be a basis for a complete population register to be used for demographic statistics and sampling for social surveys but a timetable and action plan have not been developed.

In addition to lack of access to external migration data in electronic form there are some issues related to rules and practices regarding the registration of internal migration. The Ministry Internal Affairs is moving towards an electronic reporting system which will facilitate access of the CS to external migration data. The ministry has also adapted some revised rules concerning the place of residence within the country which could improve the situation in this area.

The Global Assessment team has the following recommendations:

17.1 The CS should develop an action plan with a fixed time table on how a population register or a system of registers in Kazakhstan should look in the future. Such a programme will need good cooperation with other governmental institutions, in particular the Ministry of Internal Affairs and the Ministry of Justice, to ensure that the population register for statistical purposes can benefit as much as possible from any administrative population register(s) and administrative routines.

17.2 The assessment team supports further actions to improve the quality of external as well as internal migration registration. A part of this plan is the need to clarify the rules in the present legislation related to where persons should be registered (de jure) and to analyse the difference from where persons are actually considered as living (de facto), for instance in relation to the population census.

## 17.2 Demographic Statistics

At present the basis for demographic statistics is what is called "The Logical Programme Complex Vital Statistics" which is mainly based on the latest census from 2009. Census information is updated with registered information on births, deaths, marriages and divorces from local authorities and information on immigration from the Migration Police and internal migration from the Ministry of Internal Affairs. Information on births, deaths, marriages and divorces are updated on a daily basis.

There are inaccuracies in the registration of demographic statistics. Sometimes there is no information about the change of residence, since data on internal migration are not always reported to the CS (this refers to the electronic data of the Population Register, which is being formed in the pilot mode). The Ministry of Internal Affairs provides the CS with data on change of permanent residence, not temporary migration.

Information on immigration and emigration is currently formed on the basis of paper coupons of statistical records of arrival and departure. There is still some discrepancy between paper and electronic statistical data related to internal migration. Since the beginning of 2016, the statistics provided by the migration police include personal identification numbers (PINs). At the end of 2016, the Committee on Statistics introduced personal identification numbers for demographic statistics, mortality, fertility, marriages and divorces, which will be used for population accounting.

The CS publishes major demographic indicators about population size, birth and death rates, infant mortality rate, marriages, divorces, life expectancy, causes of death and migration. Various publications on demographics are produced by the CS; monthly press releases, statistical bulletins and statistical year books.

There was a recommendation from the GA2008 on improving registration of live births and child mortality. Since then improvements have been made according to the World Health Organization (WHO) recommendations. In 2013 WHO conducted their own investigation on the registration of live births and infant mortality and have now accepted the work process applied by the Ministry of Health and Social Development.

The CS is planning to improve data collection of migration data with electronic coupons and documentation of birth, deaths, marriages and divorces with electronic records.

**Assessment and Recommendations**

The impression is that CS is able to produce the main demographic indicators. There are major problems with the quality of data on migration and thus also regional estimates for the population will be more and more uncertain as the period from the last census gets longer. Estimates at national level will also have an increasing degree of uncertainty.

At present, electronic information entering the Population Register is not used to generate demographic statistics. Demographic statistics are formed on the basis of copies of acts of civil status and paper coupons of statistical recording of arrival and departure. An issue is also that at the moment demographic statistics are not based on the population register which should a plan for the future. Thus the main recommendations will be the same as for Chapter 17.1 Population Register; improve population registration in general and especially the quality of data on migration.

The change in the definition of live births was confirmed as also seen in the data but there is a lack of information concerning this change in documentation and there is also still an error in UN Demographic Yearbook, where it is said, as late as in 2014, that the definition of live births still applied in Kazakhstan is the old one.

The Global Assessment team has the following recommendations:

17.3 The CS should continue working towards improving the quality of the population register so it can be used as basis for demographic statistics.

17.4 The CS should improve the documentation of the change of definition of live births and its effect on time series related to births and children mortality and update the definition in the UN Demographic Yearbook.

17.5 The CS should strengthen its competence in demographic analysis including forecasting.

## 17.3 Population and Housing Census

The third national census in Kazakhstan is planned for the year 2020. It is viewed as an event held outside of the plan of other statistical work. In 2016, a separate division of 8 people was created to prepare and conduct the national census. Originally the plan was to conduct an agricultural census alongside the population census, but it was cancelled by the Republican Budget Commission (RBC). Before the cancellation there had been quite a lot of preparation of the agricultural census and objectives have been defined.

The work on the census consists of three stages, preparatory stage, basic stage and final stage. The statistical office is planning to use tablets and the internet in the 2020 census and this will be tested in a pilot census in 2018 which will include 180,000 people (1 percent of the population). Preparations include listing of houses within each administrative or territorial unit. Another part of the preparation is an information campaign to make the population aware of the census and its importance.

In 2017, as part of the preparatory work, the CS will amend the normative legal act regulating the issues of the population census in 2020. In particular, to exclude duplication of information and update information databases, a personal identification number (a 12-digit digital code that is assigned to an individual once and for life) is included in the census form. This is the same identification number that is used in the population register and therefore both sources are linkable to each other for benefit of the population register.

**Assessment and Recommendations**

The impression is that the planning of the 2020 census is well underway. The Global Assessment team stresses this census as an important task to provide a wide range of data for social and demographic analysis.

The Global Assessment team has the following recommendation:

17.6. The CS should continue with preparations for the census 2020, and ensure it is well coordinated with the proposals in Chapter 17.1 concerning the improvement of the population registration system, as this might be important for the performance of the census and the census might also be important in order to improve the quality of the population registration system.

## 17.4 Labour Market Statistics

The labour force survey (LFS) is the main basis for labour market statistics in Kazakhstan. The LFS is based on the criteria from the 19th ILO conference, including main concepts and definitions. There are 5 people working on statistics on employment. 90 people work on the survey at regional level, and 362 interviewers collect and process data. The sample for the labour force survey is 4.5% of the total number of households in Kazakhstan. The survey uses a cluster sampling design, it includes all members, aged 15 and over, within the selected households.

The sample size of the Labour Force survey has been increased from 0.5 percent of the households in 2009 to the current rate of 4.5 percent of households in Kazakhstan. The

sampling frame is the Statistical Register of Housing which is maintained by the Ministry of Justice. Data are collected through face to face interviewing at the respondent's home.

Information received in the field is used to update the Statistical Register of Housing. Interviewers might have several follow ups in order to reach the selected households. A reserve sample is selected at the same time as the original sample in order to replace units which do not respond or turn out to be ineligible during the data collection. Examples of such cases are households where all members fall outside the age criteria of the survey or empty houses.

The Labour Force Survey is a monthly survey, in which the reporting week is the third week of the reporting month for all months. It covers employment, unemployment, labour market activity. Modules on different topics can be attached to the survey as needed. All indicators from the survey are published on a quarterly and annual basis. Quarterly information is published on the web site of the Committee on Statistics on the 45th day after the reporting period. CS publishes express information, press releases, a compendium and survey bulletins based on the result of observations. The indicators cover employed, self-employed, unemployed persons, unemployment among young people and persons who are not part of the labour force. There are indicators of working time, temporary work, excessive work, overtime work, social security of workers, stability of payment of wages and work safety.

Informal employment indicators are also generated and published on an annual basis in the bulletin "The number of informally employed people in the Republic of Kazakhstan." Indicators of informal employment are used by the system of national accounts to calculate the non-observed economy. This is an improvement in accordance with one of the recommendations from the 2008 Global Assessment.

Improvements in data collection have been made under the KAZSTAT project. The CS has taken steps towards increased computerization and computerized interviewing. Logical controls and extreme values detection is being applied. Report on the quality of data has been improved. At present, reporting on response rates is not clear, nor are the details of data collection results. Reports on the methodology are being developed.

In the post-processing phase, the data is weighted according to the population distribution by age, sex and region. The sample error tables are published as part of the survey quality assessment.

A researcher was somewhat concerned about the quality of unemployment rates, as these appeared to be rather stable, even if the economic situation was changing. This was explained by unemployment or welfare benefits which provide a strong incentive to have some kind of employment and therefore not many people fulfil the ILO conditions of being unemployed.

Seasonal adjustment is not applied as seasonal fluctuations in the data are low. Access to files with micro data for analysis is possible under strict conditions (see Chapter 5).

**Assessment and Recommendations**

The labour force survey in Kazakhstan is an ambitious project with a large sample. Labour market statistics are produced in accordance with standards and definitions of the ILO. Key indicators on the labour force are published by the CS and are accessible to users on their web site. There are some methodological issues related to the Labour Force Survey that deserve further study and possible improvements.

The practice of selecting a reserve sample to substitute for non-responding or ineligible units adds unnecessary complication to the data collection stage and calculation of response rates. This might be justified when a survey is done for the first time and the number of ineligible units or nonresponse might be hard to predict. A more common practice is to take nonresponse and ineligible units into account, based on prior experience and select a larger single sample.

The increase in sample size from 0.5 per cent to 4.5 per cent is very large, producing a sampling rate which is higher than in any European country. The European Commission Quality Report for 2014 shows that the achieved sampling size ranges from 0.2 per cent to 1.5 per cent for the EU countries. For Romania, a country of similar size as Kazakhstan the rate is 0.3 per cent.

The Global Assessment team has the following recommendations:

17.7 Further methodological studies should be initiated in order to improve the process of sampling and weighting in the Labour Force Survey, and especially to study the effects of reserve sample, substitution and sample design on nonresponse and standard errors.

17.8 The CS should produce figures for response rates, and improve and provide overall documentation of the quality of the survey.

## 17.5 Living Conditions Statistics

Statistics on living conditions (or statistics on the standard of living, which is the term used by the CS) are produced from the survey of income and expenditure of households (HIES). The HIES has three objectives:

- Data for national accounts
- Obtaining weights for calculating the consumer price index
- Obtaining a comprehensive system of indicators that reflect development trends and regional characteristics in the standard of living of the population of the whole country and its regions.

This is a panel survey which has been conducted in Kazakhstan since 2001. The methodological basis of the HIES is the report of the 17th International Conference on Labour Statistics "Household income and expenditure statistics". In total, 12,000 households are selected, which is 0.3 percent of the households in Kazakhstan. The sampling frame is the "Statistical Register of Housing". It includes information on region of the country. The housing register is constantly updated which is important for rotation of the households in the sample.

A total of 9 employees work on living conditions statistics; five on income, expenditures and food consumption and four on income indicators, poverty and subjective assessment of the quality of life. The number of employees at the regional level is 533, including 133 supervisors and 400 interviewers.

The sample units are households, and the data are collected at household level. The HIES is carried out using five statistical forms, including keeping a diary for daily expenses and a quarterly magazine for less often purchased goods. One third of the sample is replaced annually. Respondents are paid two MCIs (from 2017, an increase from 1 MCI to 2). This is remuneration to respondents for participating in the HIES (for maintaining diaries, journals), which is about 14.5 dollars in 2017. Previously, this amount was 3 MCI, but was lowered to reduce costs. Despite this incentive, there is still a problem of non-response during recruitment into the panel. As in the labour force survey, a reserve sample is kept in order to

make up for non-response and ineligible units during the construction of the panel. After households have accepted participation in the panel, retention rate is very high, over 95 percent. Annually 1/3 of the households of the panel is rotated.

Information about region of the country, received from the sampling frame, is used to adjust for nonresponse by inflating or deflating the weights of the households depending on response propensity within each region.

When collecting data, logical controls and systems for detecting extreme values are applied and imputation is applied for missing values.

Sampling error tables are published as part of the HIES quality assessment. Data for the whole population are published and posted on the CS website according to the dates indicated in the Statistical Work Plan.

Several publications, bulletins and press releases are created from the survey. They cover a wide range of topics such as income, income distribution, poverty, living conditions, expenditures, food consumption, household production activities and various socio-demographic indicators. Indicators are calculated both at the national and regional level. One-time surveys on living conditions, including quality of life, time-use, standard of living and well-being, social integration, use of medical and educational services are carried out.

The Committee on Statistics is moving towards using computer assisted personal interviewing (CAPI) in the framework of the KAZSTAT project. Access to files with micro data for analysis is possible under strict conditions (see Chapter 5).

**Assessment and Recommendations**

The content and the methodological approach of the HIES in general follow good international practice and recommendations, and the survey provides data of great value for analysis and policy purposes within Kazakhstan.

In establishment of the annual household panel, a reserve sample is kept to make up for non-response and ineligible units. The non-response rate is low, less than 5 per cent once the panel has been established (for example, in 2016, 250 households dropped out of 12000, which is about 4 per cent).

The Global Assessment team has the following recommendation:

17.9 The CS should strengthen the methodological basis and reporting for the survey and learn from international best practices (for example EU-SILC)

## 17.6 Education Statistics

The CS produces statistics for different levels of education and education related activities:

- Technical and vocational education
- Higher education
- Post graduate education
- Financial and economic activities of educational organizations
- Volume of services rendered by educational organisations

In order to reduce burden on respondents and eliminate duplications the collection and processing of data on preschool and secondary education is carried out exclusively by the Ministry of Education and Science.

Statistics on education are published on the CS web site on the 72nd day after the end of the reporting period in compilations, bulletins and press releases. The main indicators are dynamic series, which are available on the CS web site in three languages, Russian, Kazakh and English.

To ensure comparability of education coverage in 2015-2016, the CS implemented the International Standard Classification of Education-2011 (ISCED-2011), and developed a "Methodology for the formation of statistical indicators for education according to the scheme" ISCED-2011 ".

**Assessment and Recommendations**

This domain was not examined in depth during the Global Assessment, but from the information available, there do not appear to be any significant issues.

## 17.7 Health Statistics

The CS produces statistics on health and health related activities. Some of them are based on administrative reports of the Ministry of Health and others come from the Multi-indicator cluster survey (MICS). Health statistics produced include among others:

- Financial and economic activities of health organisations (social security index)
- Volume of services provided in the field of health and the provision of social services (education services index)
- Index 1-sanatorium based on national statistical observations from individual entrepreneurs and legal entities
- Health indicators from the Multi-indicator cluster survey

Health data are collected on a quarterly and annual basis. The respondents are legal entities and their subsidiary units, and individual entrepreneurs. Online reporting has been developed to reduce burden on respondents. The share of enterprises submitting data online is 70 to 80 percent.

Statistics are published on the CS web site on the 72nd day after the end of the reporting period in compilations, bulletins and press releases. The main indicators are dynamic series, which are available on the CS web site in Russian, Kazakh and English.

In addition, every three years the CS conducts a multi-indicator cluster household survey (MICS), which provides up-to-date information on the situation of women and children. This survey was developed by the United Nations Children's Fund (UNICEF).The results are posted on the CS web site in Russian, Kazakh and English.

**Assessment and Recommendations**

This domain was not examined in depth during the Global Assessment, but from the information available, there do not appear to be any significant issues.

# Chapter 18. Agricultural Statistics

The four main sources for producing statistics on agricultural infrastructure (farm structure statistics) and agricultural production are:

1. The Statistical Agriculture Register
2. The agricultural censuses of the years 2006 (crops) and 2007 (livestock)
3. Statistical surveys on agriculture
4. Administrative data of the Ministry of Agriculture

Three different departments of the CS are involved in the production of agriculture statistics:

- Division of statistical registers and classifications: Statistical Agriculture Register
- Division on preparation and holding of national censuses: Agricultural Census
- Division of production and environment statistics: Statistical surveys

A staff of 6 people is assigned to the production of agricultural statistics.

The Statistical Agriculture Register includes information on agricultural commodity producers (legal entities, peasant farms and households). The main sources for updating the Statistical Agriculture Register are:

a) Local executive bodies: Aggregated and primary data on households (family composition, employment situation, livestock, land, equipment, etc.), as well as on peasant farms (information on livestock, land, machinery, etc.);
b) Ministry of Agriculture of the Republic of Kazakhstan: Information on livestock from the Database on identification of farm animals (number of heads, movement of livestock) on a monthly basis, and information on agricultural land (arable land, deposits, etc.) is received on a quarterly basis;
c) Statistical business register: Information on subjects (legal entity, peasant farms), which are engaged in agricultural activities is received.

In the meetings with representatives from the Ministry of Agriculture it was discussed to what extent the Ministry maintained or planned to develop a farm register for administrative purposes, which is the case in several countries. The impression was that there was no existing or planned administrative farm register. However, there are regional registers that the Ministry could get information from when needed.

The number of agricultural producers are around:

- 9,000 agricultural enterprises
- 180,000 farms
- 2,000,000 households

Agricultural statistics are based on 2 monthly, 3 quarterly (1 new one in 2017) and 10 annual surveys to agricultural enterprises, farms and households. They cover detailed information on crops, livestock, aquaculture, hunting, agricultural infrastructure, etc.

From 2018, in agricultural statistics, 18 national statistical observations will be conducted, of which 2 monthly, 4 quarterly, 11 annually and 1 observation will conducted once in 3 years.

The reporting units are taken from the Statistical Agriculture Register.

Data are currently collected online and on paper, including via interviewers. As a result of the KAZSTAT project the collection of primary statistical data is also being implemented via

CATI (Computer Assisted Telephone Interviewing). Collection via CAPI (Computer Assisted Personal Interviewing) is planned for the future.

Administrative sources for agricultural statistics are:

- Land Management Committee of the Ministry of Agriculture: providing once per year data on land and their categories, land owners, and land users.
- Akimats of towns, villages, rural districts: two times per year data on the structure of sown areas types of crops, and livestock and poultry by type in farms and households.

The first national agricultural census was conducted in Kazakhstan in 2006-2007.

The 2017 agricultural census was planned under the *FAO World Programme for the Census of Agriculture* (BCPC). It would have covered all agricultural enterprises, farms, part-time farms as well as holiday- and horticultural farming. Main preparations to implement the census had been done, such as the definition of an overall strategy of the census as part of an integrated system of agricultural censuses and surveys, the development of an action plan, budget planning, the creation of a Republican Census Commission, the drafting of the questionnaires and the preparation of methodological and guidance tools.

The Census was suspended by the Republican Budget Commission in August 2015 for budget reasons.

**Assessment and Recommendations**

There seems to be a well-developed system for the production agricultural statistics based on systematic updating of a Statistical Agriculture Register.

The CS received methodological support on agricultural statistics via the KAZSTAT project. Several of the recommendations are currently being implemented, including methods of the calculation of the gross output, conducting CATI (Computer Assisted Telephone Interviewing) and better optimization of sample surveys.

The Global Assessment team has the following recommendations:

18.1 An agricultural census is still very important to get a detailed mapping of the agriculture in a country, and thus the CS should take measures to implement the census already planned at a later stage.

18.2 As census operations are rather expensive, the CS should initiate a development programme in order to develop the administrative sources that could partly, or wholly in the future replace a census, including the development of an administrative farm register, in cooperation with the Ministry of Agriculture.

# Chapter 19. Other Statistics

## 19.1 Transport Statistics

Transport statistics in Kazakhstan are produced by the CS. Various administrative sources are used, for example information on road traffic accidents from the General Prosecutor's Office, information on motor vehicles from the Ministry of Internal Affairs, and information on roads and airports from the Ministry for Investment and Development. The CS confirms that data are compiled in line with international standards, including European Union Regulations.

A topic raised in the previous Global Assessment is the measurement of activities of individual entrepreneurs providing services for the carriage of goods and passengers. The CS has carried out methodological work, including a pilot survey. Advice was also sought from an expert from Statistics Denmark. As a result, measurement of these activities will be based on a sample survey rather than imputation, as was previously the case.

Work is in progress to review air transport statistics, also with support from Statistics Denmark. The CS plans to conduct a survey of airports, to improve information on cargo and passenger movements.

### Assessment and Recommendations

Good progress has been made since the previous global assessment. The approach of identifying international best practices and applying them in Kazakhstan is working well, and should be continued.

The Global Assessment team recommends:

19.1 The CS should continue to improve the quality and range of transport statistics, in line with user requirements, through the study and application of international good practices

## 19.2 Tourism Statistics

Tourism statistics are produced by the Division of Services and Energy Statistics in the CS. Tourism satellite accounts are also produced within the Division of National Accounts. A mixture of statistical and administrative sources are used, including data from the Border Service on inbound and outbound visitors, and the Ministry of Agriculture on visitors to special protected natural territories. Statistical surveys are mostly interview-based, conducted by staff of regional offices. The CS confirms that data are compiled in line with relevant international standards, including the International Recommendations for Tourism Statistics 2008, developed by the United Nations World Tourism Organization (UNWTO).

To reduce burden on businesses, data on tourism companies will be obtained from the statistical business register and structural business statistics surveys, rather than via a specific survey.

The CS actively follows international developments, and hosted an international workshop on tourism statistics in 2015, with the participation of UNWTO. Further work is planned on greater use of administrative data, and to investigate opportunities of using “Big Data” from mobile telephones as a source for information on overseas visitors.

**Assessment and Recommendations**

The approach of identifying and investigating new data sources, and consolidating statistical surveys should both reduce burden, and improve the quality and range of statistics produced. Regarding the possible future use of "Big Data", there are various international initiative that might provide valuable experiences and lessons learned.

The Global Assessment team recommends:

19.2 The CS should follow the work of the United Nations Global Working Group on Big Data, and particularly it's Task Team on Mobile Phone Data, which is producing a handbook for release in 2017.

## 19.3 Energy Statistics

Statistics on energy are compiled by the Division of services and energy statistics.

The CS has received expert support via the KAZSTAT project, and received intensive training from the International Energy Agency (IEA), Finland and the Netherlands. A national methodology was developed to regularly produce IEA compliant energy balances. The balances are reported annually to the IEA.

Data are obtained annually via a survey (form 1-TEB) to all legal entities that are suppliers or consumers of energy (including fuel). In addition, since 2015, data from production statistics and foreign trade statistics are used. This reduces the burden for respondents (previously, this was also part of the 1-TEB form). Administrative data sources are the Ministry of Finance (Committee of State Revenues) and the Ministry of Energy (renewable energy sources).

An intergovernmental working group was set up under the leadership of the CS with the objective to gradually increase the quality of energy statistics. This working group includes the Ministry of Energy and the Ministry for Investments and development, but also other interested government bodies and business structures.

The major problem of energy statistics is the quality of information on energy consumption by households. Currently this information is collected via the population census. The CS is now developing a household survey on consumption of fuel and energy resources, which should lead to a significant improvement of the quality of statistics related to energy consumption by households. The sample survey will be carried out in 2018 for the first time, and will be repeated every 5 years.

The CS is receiving capacity building support from various international organisations, among them UNDP, the European Union and IEA, with the goal to produce energy statistics and energy balances according to international standards and of high quality.

Specific support is still needed to develop methodologies to calculate important indicators, such as energy efficiency.

**Assessment and Recommendations**

The KAZSTAT project and the current support from IEA and other international organisations have helped the CS to develop energy statistics according to international standards. The weaknesses are known and are gradually being addressed.

The Global Assessment team has the following recommendations:

19.3 In accordance with international recommendations of the EU and IEA, the CS should continue work on the implementation of energy statistics and energy efficiency indicators, taking into account indicators of the Sustainable Development Goals.

19.4 In the long term, given a large amount of information generated and importance of energy statistics for the country's economy, including the SDG indicators, the CS should establish a specific unit on energy statistics (e.g. a separate subdivision).

## 19.4 Environment Statistics

Environment statistics are compiled by the Production and Environment Statistics Division (PESD), which has a staff of 30. Four experts are working on environment statistics, all of them are economists.

The goals of environment statistics in Kazakhstan are to produce internationally comparable indicators, to develop control measures for human impacts on the environment and to provide users with reliable statistical information.

The CS carries out annual surveys on some environment statistics, but lots of data originates from administrative sources.

The annual surveys carried out by the CS are the following:

- Survey on Air Protection (about 20,000 enterprises)
- Survey on collection and removal of municipal waste (about 300 enterprises)
- Survey on sorting, recycling and depositing of waste (about 250 enterprises)
- Survey on environmental protection expenditures (about21,000 enterprises)
- Survey on water supply system, sewerage and separate networks (about 800 enterprises)

Administrative data sources are the following:

- Ministry of National Economy (water security and drinking water quality)
- Ministry of Energy (greenhouse gas emissions, industrial waste, climate change indicators, air temperature, precipitation, wind speed, solar radiation, air quality in cities, renewable freshwater resources, quality of freshwater and coastal waters)
- Ministry of Agriculture (pesticide consumption, water abstraction, protected areas, forest fires, land resources, forest and other wooded land, trends in number and distribution of selected species, area of hunting grounds)
- Ministry for Investments and Developments (nitrates in groundwater, groundwater stocks)
- Ministry of internal affairs (main emergencies of natural and technological nature)
- Ministry of Health (state of health of the population)

Kazakhstan's Ministry of Environmental Protection and Water Resources was closed in August 2014, and its functions divided between the newly created Ministry of Energy and the Ministry of Agriculture.

According to the opinion of experts of the SC, the main problems with the use of administrative data are that several governmental bodies are dealing with environmental issues and data are often not reliable and of poor quality (e.g. data on hazardous waste). Other, more general problems with the distinction of statistical sources and administrative sources, are discussed in Chapter 2.

Environment statistics are produced in accordance with the following international standards:

- United Nations Framework for the Development of Environment Statistics (FDES)

- UNECE Guidelines for the Application of Environmental Indicators
- OECD Green Growth Indicators
- System of Environmental-Economic Accounting (SEEA 2012)

Data quality assurance includes arithmetic and format-logical controls, checking of extreme values and control of compliance with permissible limits.

Environment statistics are disseminated annually on the web site of the CS, in the form of downloadable MS Excel tables, bulletins and yearbooks. Regarding environment statistics the web site distinguishes between the two following sections

- "Official statistical information": Statistics produced from annual surveys by the CS (disaggregated for each of the 16 regions). Data compiled by other governmental organizations is not published in this section, because they have their own webpages for dissemination.
- "Ecological indicators of environmental monitoring and assessment": This section contains data that are partly compiled by the CS and partly by other Ministries. This section is the implementation of UNECE's recommendation to provide easy access to core environmental indicators on national web sites (Shared Environmental Information System) and contains 36 environmental indicators and underlying statistics on air pollution and ozone depletion, climate change, water, biodiversity, land and soil, agriculture, energy, transport and waste.

On the "Taldau" data portal environment Statistics can be found under the "industry" section.

**Assessment and Recommendations**

According to the "Report on progress in establishing the Shared Environmental Information System in support of regular reporting in the pan-European region" (ECE/BATUMI.CONF/2016/8) Kazakhstan is among the countries with the highest number of environmental data sets which are available and accessible online (i.e. on the CS web site).

The presentation of environment statistics on the CS web site gives the impression that data from administrative sources are not part of official statistics, as there is a distinction between "Official statistical information" and "Ecological indicators of environmental monitoring and assessment".

Some of the statistical data obtained from administrative sources seem to be not reliable and/or do not fulfil all necessary quality criteria of official statistics (e.g. on hazardous waste).

Access to time series of all environment statistics is possible via Taldau. However, environment statistics is difficult to find in the hierarchical structure of the portal, as it is mentioned under the main section "industry".

The selection of the set of environmental data (both administrative data and official statistics) processed and disseminated by the CS follows closely international recommendations, but does not reflect all major environmental problems of the country, such as radiation, pollution of soil and water, overfishing and the problems related to the shrinking of the Aral Sea.

Capacity building activities requested are training on water statistics, waste statistics and the calculation of air emissions from mobile units.

The Global Assessment team has the following recommendations:

19.5 All official environment statistics should be made available on the CS web site, under the section "Official statistics", independently of whether they are produced from statistical

surveys or administrative records, or already published by other governmental bodies. The CS web site should be the place where users can easily find all official environment statistics. However, the criteria for defining official statistics as mentioned in Chapter 2, should be applied. This requires, in particular, an assessment of each data set to see if it matches all relevant quality criteria.

19.6 The templates which are currently presented in the section "Ecological indicators of environmental monitoring and assessment" and follow the UNECE recommendations on a Shared Environmental Information System (SEIS) should not be kept separate from "official statistics" as this currently confuses the users. Provided the data presented in these tables fulfil the criteria of official statistics, they should be integrated in the section on official statistics.

19.7 On Taldau, environment statistics should be in its own main section "Environment Statistics" (not under "Industry").

19.8 The CS should assess the priority needs for environmental information (both statistics and environmental-economic accounts) based on national policy questions and reporting to international organisations. This could be done in form of a stakeholder workshop involving key data producers and users. The basis for this assessment should be the Environment Statistics Self-Assessment Tool (ESSAT) and the SEEA Self-Assessment tool, which were developed by the United Nations Statistics Division (UNSD) and the UN Committee of Experts on Environmental-Economic Accounting (UNCEEA). Based on that a development strategy covering both environment statistics and environmental-economic accounting could be developed.

19.9 Capacity building activities are needed to increase knowledge of staff on environment statistics. In the short term capacity building should address water statistics, waste statistics and the calculation of air emissions from mobile units. This will also enhance capacity in producing SEEA accounts.

19.10 The CS should recruit staff with a background in environmental sciences.

19.11 In the longer term, increased resources should be made available for environment statistics and environmental-economic accounting. A special unit dealing with both environment statistics and environmental-economic accounting should be established (see also recommendation 19.14)

19.12 The online reporting system which is used by the CS to obtain business data from enterprises could be used to also collect environmental information from the same enterprises. This way, respondents could provide environmental and economic data via the same portal, which has lots of benefits from both the user side and the maintenance of the system.

## 19.5 System of Environmental-Economic Accounting (SEEA)

Environmental-economic accounts are compiled by the National Accounts Division (total number of staff is 23), based on environment statistics produced by the Production and Environment Statistics Division and taken from administrative sources (Ministry of Energy, Ministry of Agriculture, Ministry of Investments and Development, Ministry of Finance).

The SEEA implementation is mainly driven by Kazakhstan's Green Growth Strategy, which requires the regular production of Green Growth indicators (OECD).

Lots of progress was made with the help of the KAZSTAT project and cooperation with the OECD on the implementation of SEEA.

In 2014 a working group on environmental accounting was established, which includes representatives of the SC, the Ministry of Agriculture, the Ministry for Investment and Development, the Committee on construction, housing and communal services and land management under the Ministry of National Economy, the environmental union of associations and enterprises of Kazakhstan (Tabigat) and some research institutes. The working group is chaired by the Vice-Chairman of the SC.

Based on a self-assessment and an evaluation of the basic data an implementation plan was drafted by the working group. The short-term objective of that plan was to develop the following pilot accounts:

- Physical flow accounts for energy
- Accounting for air emissions
- Solid waste accounts
- Environmental protection expenditure accounts (EPEA)

These pilot accounts are currently being produced, and the results will be assessed by an OECD expert in summer 2017. Provided the pilot accounts are assessed positively, CS will start to produce and publish them annually.

The second phase of the implementation plan is to pilot test the following accounts:

- Asset accounts for mineral and energy resources (work has already started)
- Asset accounts for water resources (work has already started)
- Physical flow accounts for water (work has already started)
- Environmental goods and services sector (EGSS)
- Accounting for emissions to water

In a working group meeting in June 2017 the CS together with the governmental bodies will review the statistical tools used for production of SEEA accounts (forms, reference documents, classifications, methodologies).

Specific challenges mentioned by the CS experts are:

- The use of administrative data, due to the large number of administrative sources and the use of different classification systems
- Lack of primary data for some parts of the accounts (EGSS, water and energy resources, etc.)
- Difficulties in transferring from physical units to monetary units
- Lack of human resources

CS mentioned the need for more capacity building through assistance provided by international experts, and participation of CS staff in seminars and training courses.

**Assessment and Recommendations**

With the help of the KAZSTAT project and OECD support the CS has made great progress in developing SEEA accounts, and a regular production and publication in the near future is envisaged.

In addition to the CS efforts to improve the quality of basic environment statistics, future work priorities are the completion of the set of OECD green growth indicators and implementation of SEEA accounts according to the implementation plan.

Capacity building activities requested in relation to the implementation of SEEA are training on Environmental Goods and Services Sector (EGSS), water accounts, and asset accounts.

The Global Assessment team has the following recommendations:

19.13 Capacity building activities are needed to strengthen capacity in the implementation of SEEA. In the short term capacity building should address EGSS as a priority, followed by water accounts and asset accounts.

19.14 In the longer term, increased resources should be made available for environment statistics and environmental-economic accounting. A special unit dealing with both environment statistics and environmental-economic accounting should be established (see also recommendation 19.11).

## 19.6 Research and Development; Innovation Statistics

Statistics on science and innovation are produced by the Division of Services and Energy Statistics in the CS, based on two annual surveys. To reduce burden on respondents, web-based data collection has recently been introduced.

The CS confirms that data are compiled in line with relevant international standards, including the OECD's "Oslo Manual: Guidelines for Collecting and Interpreting Innovation Data" and the "Frascati Manual: Guidelines for collecting and reporting data on Research and Experimental Development"

**Assessment and Recommendations**

This domain was not examined in depth during the Global Assessment, but from the information available, there do not appear to be any significant issues.

## 19.7 Information and Communication Technologies Statistics

Statistics on information and communication technologies (ICT) are produced by the Division of Services and Energy Statistics in the CS. They are based on annual surveys of ICT use in businesses and households, as well as annual and monthly surveys on post and courier activities, and communication services. To reduce burden on respondents, web-based data collection has recently been introduced.

The CS confirms that data are compiled in line with relevant international standards, including the 2014 edition of the International Telecommunication Union's (ITU) "Manual for Measuring ICT Access and Use by Households and Individuals", and the ITU "Handbook for the Collection of Administrative Data on Telecommunications/ICT".

**Assessment and Recommendations**

This domain was not examined in depth during the Global Assessment, but from the information available, there do not appear to be any significant issues.

# Chapter 20. Data for Sustainable Development Goals

The government of Kazakhstan started the process of implementing the SDGs at the end of 2015. Early activities were intergovernmental meetings and an analysis of national strategic documents and their relationship with the SDGs. The responsible state authorities for the implementation of the SDGs were determined.

A national plan for SDG implementation has been drafted, and it identifies the responsibility for the different actions. The CS is responsible for the following actions:

- Assessment of national statistical capacities for monitoring the adopted development commitments.
- Identification of available resources and the need for additional resources to ensure the full monitoring of the achievement of development commitments.
- Identification of sources for additional resources.
- Integrating activities to address gaps in the plans, including statistical work and forms of administrative records.
- Collection of data available for monitoring and preparation of the national report on the implementation of international obligations in the field of development.
- Preparation of an intermediate country report development.

The internal plan of the CS plan for the implementation of SDG monitoring has been approved. The concrete activities for the year 2017 are the following:

- Review of available statistical data, identification of main sources of information and level of disaggregation of indicators.
- Identification of data gaps and necessary resources for the implementation of missing indicators.
- Collection of available data on SDG indicators.
- Creation of a separate section "Monitoring the Goals of Sustainable Development" on the CS web site.
- Placement of the SDG indicators set in the section "Monitoring the Goals of Sustainable Development"
- Development and approval of the Action Plan for the period from 2018 to 2020 to implement disaggregation and missing SDG indicators.

At the CS there is no specific unit dealing with the SDG indicators. The leadership within the CS is currently with the department of social and demographic statistics. Recently a working group has been established which includes all relevant departments of the CS, and work has been distributed by indicators.

There are several limitations regarding the implementation at the moment. This includes the roles of the different governmental bodies, including the CS. A national coordination body has not yet been identified.

In 2016 the CS sent an official note to the previous Minister of National Economy, which proposes to following concrete action:

- To create a national coordination council with two layers (high level and expert level)
- The Ministry of National Economy to take the overall coordinating role
- The CS to coordinate data production

A similar letter was sent to the new Minister of National Economy, who took his position in December 2016.

Currently 74 (32%) of the SDG indicators are already produced and the basic data for another 32 indicators (14%) are available in Kazakhstan. In most cases the produced indicators already follow the international methodologies.

Social and economic indicators are quite well covered. The work on SDG indicators benefits a lot from the work on Green Growth Indicators and SEEA.

**Assessment and Recommendations**

The main challenges can be summarised as follows:

- The CS does not yet have a formal coordination role for data production and reporting.
- Other data producers are not always supportive and ready to provide the required data and indicators.
- There is no specific unit of the CS in charge of SDG indicators
- Disaggregation of SDG indicators by gender, age, area, ethnic group etc.
- Lack of capacity (financing, staff training)
- Lack of methodology for the tier 3 indicators (this is a general challenge for all countries)

The most challenging domain is the environmental SDG indicators of goal 12 (sustainable consumption and production) and of goal 13 (climate change).

There are several international organisations involved in providing capacity building support for SDGs, including UNDP, the Eurasian Economic Commission and others. Coordination of donors is crucial to avoid duplication.

The Global Assessment team has the following recommendations:

20.1 The Minister of National Economy should secure a clear mandate from the government for the CS for its further work on SDG indicators. The mandate should include the role as intergovernmental coordinator for SDG-related data production and reporting.

20.2 The CS, in cooperation with key ministries and other data providers, should develop a national roadmap on the basis of the Conference of European Statisticians Roadmap on Statistics for Sustainable Development Goals. A specific expert mission carried out by UNECE could help to review the planned actions.

20.3 Training is needed to improve the capability to produce the environmental indicators related to SDG goals 12 and 13. Experts of the CS working on SDG indicators, environment statistics and environmental-economic accounting should benefit from these capacity building activities. This could be in form of national workshops and/or as sub-regional training workshops (neighbouring countries face similar challenges). UNECE and other international organisations should consider these specific training needs in their capacity building programs and coordinate their related activities.