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**DATA CONFIDENTIALITY
RESULTS OF THE AD-HOC SURVEY CARRIED OUT IN THE TRANSITION
ECONOMIES**

Paper prepared by the ECE secretariat

I. INTRODUCTION

1. In order to obtain an overview of the specific concerns that exist in transition economies concerning data confidentiality issues, an ad-hoc survey was carried out in January 2003. The survey was conducted with the help of a short questionnaire comprising eleven questions.
2. The statistical offices of the following twenty-four countries submitted answers: Albania, Armenia, Azerbaijan, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Poland, Republic of Moldova, Romania, Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, The former Yugoslav Republic of Macedonia, Turkmenistan, Ukraine and Uzbekistan.
3. The text below provides a summary of the results of the survey. Detailed information by country is provided in the attached tables.

II. IMPLEMENTATION OF THE PRINCIPLE OF STATISTICAL CONFIDENTIALITY (TABLE 1)

4. The survey showed that the definition of the principle of statistical confidentiality in the legislation provides safe protection for the statistical office from any requests to release data that permit either direct or indirect disclosure of information about individual units in eighteen out of twenty-four countries (Question 1). Only Azerbaijan and the Russian Federation reported that such protection is not provided through the definition of statistical confidentiality in the legislation, while Kazakhstan, the Republic of Moldova and Ukraine reported that such protection only exists partially. In Croatia, a new EU conform legislation is about to be implemented.

5. A second question addressed the protection by statistical confidentiality of units other than natural persons and private households, notably private and recently privatised companies, irrespective of their legal form (Question 2). This was reported to be the case in twenty-one countries. Only the Russian Federation reported that this kind of legislation is not available, while the legal situation was reported to be unclear in Moldova and also in Croatia. However, Croatia indicated that they were in the process of implementing EU conform legislation.

6. The one-way flow principle for micro-data between other parts of the government and the statistical office is established by law and implemented in twelve transition economies (Question 3). A “legally sufficient situation, but many practical problems” was reported by five countries (Albania, Estonia, Kazakhstan, The FYR of Macedonia, Uzbekistan), while seven countries reported that the “legal situation is insufficient” or that the “principle is not established in the law” (Azerbaijan, Georgia, Kyrgyzstan, Republic of Moldova, Russian Federation, Serbia and Montenegro, and Ukraine).

7. Countries were also asked to report on how the principle of statistical confidentiality is applied by other producers of official statistics, notably by regional statistical offices that are not or are not fully part of the central statistical office (Question 9). Independent of the legal situation, virtually all countries reported that the regional offices follow the principle of statistical confidentiality. In some cases, the regional offices only collect data and do not disseminate information, or they only disseminate summary information. Many countries mentioned that the principle of statistical confidentiality applies to all producers of official statistics. Only Georgia reported some violations of the principle at the regional level, while Kazakhstan reported some violations by other government bodies producing statistics. Moldova reported about some problems related to the requests of local government authorities for individual data on economic units. However, Moldova also indicated that the confidentiality principle for legal persons is strictly followed.

III. DATA PROCESSING TASKS FOR STATISTICAL AND ADMINISTRATIVE PURPOSES (TABLE 2)

8. The survey was also concerned with the issue of whether the statistical office is in charge of data processing tasks for administrative purposes or is responsible for managing administrative registers, and

how strictly such activities are separated from the statistical activities in terms of organisational structure and IT.

9. Half of the countries reported that they maintain both administrative and statistical registers, and only three of them explicitly reported that activities on administrative and statistical registers are strictly separated in terms of organisational structure and IT.

IV. CONFIDENTIALITY ISSUES RELATED TO DISSEMINATION (TABLE 3)

10. As regards the obligation of the statistical office to disseminate disaggregated results that allow for inference about single economic units to which statistical confidentiality would be applicable, only seven out of the reporting twenty-four countries indicated that such obligations exist (Estonia, Kazakhstan, Kyrgyzstan, Russian Federation, Serbia and Montenegro, Slovenia and The FYR of Macedonia).

11. Other confidentiality issues related to the potential disclosure of individual units in disseminating results can be summarised in two groups: (i) small area statistics: regional data and/or small countries; (ii) sectoral business data where one entity is the sole producer.

V. ACCESS TO MICRO-DATA AND HOW TO DEAL WITH THESE REQUESTS (TABLE 4)

12. In most transition economies (15), it is legally possible for researchers to access micro-data for their own statistical purposes. Only six countries (Georgia, Hungary, the Republic of Moldova, Turkmenistan, Ukraine, Uzbekistan) reported the exclusion of this option legally and thus do not provide access to micro-data. Two countries (Kazakhstan, Serbia and Montenegro) reported an unclear legal situation and, as a consequence, do not provide access to micro-data. In the Russian Federation, there is no legislation concerning access to micro-data. However, micro-data are provided under procedures established by the statistical agency.

13. In most countries, few requests by researchers are received. Only four countries reported receiving many requests for access to micro-data.

14. For those countries where access to micro-data is legally possible, the procedures appear to be quite similar, especially since most of these countries are pre-accession countries and are thus targeting the implementation of Commission Regulation No. 831/2002 (EC): Access is given only to specific institutions and for specific purposes (scientific research). Often, an agreement is signed containing the exact conditions for using the data.

VI. RESPONDENTS' PERCEPTION OF CONFIDENTIALITY PROTECTION (TABLE 5)

15. Almost all countries (19) gave a positive picture about the respondents' perception of the statistical office's guarantee to keep their information confidential and to use it only for statistical purposes. Two problems related to the perception of respondents could be identified: non-awareness of respondents of the confidentiality protection through the statistical agency, and the non-trust of respondents regarding the confidentiality protection through the statistical agency.

VII. CONCLUSIONS FROM THE AD-HOC SURVEY (TABLE 6)

16. Transition economies were also asked to indicate which of the confidentiality issues mentioned in the questionnaire they consider to be most important in order to improve the present situation. An overview of the results is shown in Table 6 where countries are grouped into pre-accession countries and CIS and other countries. The priority issues can be summarised as follows:

- Issues related to access to micro-data;
- The legal implementation of the principle of confidentiality: of utmost importance in CIS and other countries;
- The need for methodological and technical standards in the pre-accession countries;
- Issues related to administrative registers: of priority to CIS and other countries;
- Respondents' perception of confidentiality protection: although almost all countries reported a positive attitude of respondents' towards confidentiality issues, there seems to be room for improvement.

Table 1: Implementation of the principle of statistical confidentiality

	Question 1	Question 2	Question 3	Question 9
	Is the principle of statistical confidentiality defined in the legislation in such a way that it provides safe protection for the statistical office from any requests to release data that permit either direct or indirect disclosure of information about individual units?	Are units other than natural persons and private households, notably private and recently privatised companies irrespective of their legal form, protected by statistical confidentiality?	Is the one-way flow principle for micro-data between other parts of the government and the statistical office firmly established and implemented?	How is the principle of statistical confidentiality applied by other producers of official statistics, notably by regional statistical offices that are not or not fully part of the central statistical office?
Albania	yes	yes	legally sufficient situation, but many practical problems	The regional offices are part of the central statistical office; regional offices only collect data and send it to the national office for further processing
Armenia	yes	yes	principle established in law and implemented	The regional offices strictly follow the principle of statistical confidentiality
Azerbaijan	not at all	yes	principle not established in law	Regional offices only disseminate summary information
Bulgaria	yes	yes (natural and legal persons)	principle established in law and implemented	The principle of statistical confidentiality is applied by all official producers of statistical data: Central Office and regional offices, and other bodies
Croatia	only partially (a new law conform with EU legislation is under way)	unclear legislation (legally no, but de facto yes)	principle established in law and implemented	Other producers of official statistics follow the legal provisions on statistical data confidentiality
Czech Republic	yes	yes	principle established in law and implemented	The regional statistical offices are part of the CSO; their publications are supervised by the CSO

Table 1: Implementation of the principle of statistical confidentiality (cont.)

	Question 1	Question 2	Question 3	Question 9
Estonia	yes	yes	Legally sufficient situation, but many practical problems (non-compliance of different legal acts; different interpretation of legal acts)	There are no regional statistical offices; the other main producer of official statistics (the Central Bank) applies the principle of statistical confidentiality
Georgia	yes	yes	Legal situation insufficient	In general, the legislation is to be followed by all producers but there are some violations at regional / local level
Hungary	yes	yes	Principle established in law and implemented	Act on statistics applies to all persons and offices dealing with statistics
Kazakhstan	only partially	yes	Legally sufficient situation, but many practical problems	Regional and national statistical offices respect the principle of statistical confidentiality but there occur certain violations from other government bodies that also produce statistics
Kyrgyzstan	yes	yes	If necessary, statistical agencies have access to micro-data in ministries and government agencies; if necessary, micro-data from statistical agencies are given for analyses to ministries and government agencies	The confidentiality policy applies in the same way to all producers
Latvia	yes	yes	Principle established in law and implemented	Local offices do not disseminate data, this is the responsibility of the Central Office; other producers follow the principles of the Data Protection Law and Statistics Law
Lithuania	yes	yes	Principle established in law and implemented	Law on Statistics applies to all producers of official statistics
Poland	yes	yes	Principle established in law and implemented	Regional statistical offices are an integral part of the centralised system and follow the statistical act

Table 1: Implementation of the principle of statistical confidentiality (cont.)

	Question 1	Question 2	Question 3	Question 9
Republic of Moldova	only partially	unclear legislation	Legal situation insufficient	The regional statistical offices are governed by the Law on Statistics of the Republic of Moldova. There are problems related to the requests of local government authorities for individual data of economic units. The confidentiality principle of legal persons is strictly followed.
Romania	yes	yes	Principle established in law and implemented	Regional offices follow the rules established at national level
Russian Federation	not at all	no	Principle not established in law	Despite the absence of a law on statistical reporting, the statistical agency undertakes steps to ensure confidentiality of statistical data; it guarantees confidentiality to reporting units. A procedure is set up on the provision of data to third parties - this is only possible if the reporting unit agrees (except for the cases foreseen by law)
Serbia and Montenegro	yes	yes	Legal situation insufficient	The principle of statistical confidentiality is applied in the same way as for the statistical agency
Slovakia	yes	yes	Principle established in law and implemented	There are no independent regional statistical offices
Slovenia	yes	yes	Principle established in law and implemented	There are no regional offices; all producers of official statistics must follow the National Statistics Act
The former Yugoslav Republic of Macedonia	yes	yes	Legally sufficient situation, but many practical problems	Regional offices are part of the State Statistical Office; micro-data are exchanged between producers of statistical surveys with everyone liable to statistical confidentiality; for providing or exchanging data, co-operation contracts are also signed

Table 1: Implementation of the principle of statistical confidentiality (cont.)

	Question 1	Question 2	Question 3	Question 9
Turkmenistan	yes	yes	Principle established in law and implemented	Regional offices are part of the national one
Ukraine	only partially	yes	Legal situation insufficient	Regional offices follow the same rules as the national one
Uzbekistan	yes	yes	Legally sufficient situation, but many practical problems	Regional and national office are regulated by Statistical Law that stipulates confidentiality requirements

Table 2: Data processing tasks for statistical and administrative purposes

	Question 4	Comments
	Is the statistical office (NSO) in charge of data processing tasks for administrative purposes or responsible for managing administrative registers ? How strictly are such activities separated from the statistical activities in terms of organisational structure and IT? What are the repercussions of such non-statistical tasks on the core task of official statistics (including the ability to set up and manage statistical registers), and on the trust of respondents in the statistical surveys?	
Albania	no tasks outside statistics	
Armenia	no tasks outside statistics	
Azerbaijan	yes (no further specification given)	
Bulgaria	yes	The statistical office (NSO) establishes and maintains also an administrative register, this operation is done in a separate department. For NSO`s statistical activities, a statistical register is maintained; statistical and administrative activities are separated; information from the administrative register can be used for statistical purposes.
Croatia	yes	The NSO manages a business register (administrative and statistical register) in one department; administrative register data are public while data from the statistical register are treated as confidential.
Czech Republic	yes	Processing of some data from other government departments; use of administrative registers managed in other government departments for statistical purposes
Estonia	no tasks outside statistics	
Georgia	yes	The NSO manages an administrative register; activities are not fully separated from statistical activities (organisation, IT)
Hungary	no tasks outside statistics	
Kazakhstan	no tasks outside statistics	
Kyrgyzstan	no tasks outside statistics	
Latvia	no tasks outside statistics	

Table 2: Data processing tasks for statistical and administrative purposes (cont.)

	Question 4	Comments
Lithuania	no tasks outside statistics	
Poland	yes	The NSO is responsible for maintaining two official registers; these activities are regulated in the Law on Official Statistics; work on the administrative registers is strictly separated from the primary statistical tasks
Republic of Moldova	yes	The NSO also maintains administrative and statistical registers; the activities are not separated (organisation, IT); other activities: supplying information from the administrative register
Romania	no tasks outside statistics	
Russian Federation	yes	The NSO develops and adopts forms of primary statistical reporting, i.e. common requirements for reporting on financial, investment and other types of economic activities; the NSO and regional offices maintain an administrative register of enterprises; the NSO ensures that standard economic and Social classifications are used in preparing new legal documents
Serbia and Montenegro	yes	The NSO maintains administrative registers
Slovakia	no tasks outside statistics	The NSO maintains only statistical registers while other government departments maintain administrative registers and have to supply data to the NSO
Slovenia	no tasks outside statistics	
The former Yugoslav Republic of Macedonia	yes	The NSO maintains administrative registers; databases are separated, and micro-data from administrative registers can be used for statistical purposes; statistical micro-data cannot be used for administrative purposes; new legislation to move the administrative registers out of the NSO is under preparation
Turkmenistan	no tasks outside statistics	
Ukraine	yes	The NSO maintains an administrative register; the activity is under the Law on Statistics; the statistical register is created on the basis of the administrative register
Uzbekistan	yes	The NSO maintains also an administrative register; this activity is covered by the legal acts

Table 3: Confidentiality issues related to dissemination

	Question 5	Comments	Question 6	Comments
	Are there obligations for the statistical office to disseminate (either generally to the public or limited to specific users) disaggregated results that allow inference about single economic units to which statistical confidentiality would be applicable?		Are there other problems related to the protection of individual units in disseminating results?	
Albania	no		no	
Armenia	no		no	
Azerbaijan	no		no	
Bulgaria	no		no	Law on Statistics: individual and personal data cannot be provided, as well as data which summarise information for less than 3 units or in which the relative part per unit is over 85% of the total volume
Croatia	no		no	
Czech Republic	generally no	Special case co-operation with other government bodies which comply with the Statistical Act including confidentiality attachment	yes	Problem with regional data - easy disclosure; also - national level/sole producers (e.g. Skoda Auto)
Estonia	yes	Data which permit identification are only transmitted/disseminated with written consent of respondent; dissemination without consent for scientific research in line with the legislation	yes	Problem: small country
Georgia	no		no	

Table 3: Confidentiality issues related to dissemination (cont.)

	Question 5	Comments	Question 6	Comments
Hungary	no		yes	Problem: dissemination of small area data; some data need to be excluded from dissemination so the full scope dissemination of data is inconsistent due to the confidentiality protection
Kazakhstan	yes	Some data (biggest enterprises, monopoly enterprises) are disseminated to a limited number of persons in government bodies; to prosecutor's office on request in criminal cases	no	
Kyrgyzstan	yes		yes	The Programme of Statistical Work is approved by the Government every year
Latvia	no		no	
Lithuania	no	Law on Statistics / article on confidentiality	yes	Small country, sometimes only one enterprise generating big share of the production
Poland	no		no	
Republic of Moldova	no		yes	Many requests from some Ministries and other government agencies to provide data on economic units; at the same time, data that Ministries have are not used by other government institutions
Romania	no		yes	Regional data, data where one entity has special activity; in these cases, the confidentiality protection is provided by law

Table 3: Confidentiality issues related to dissemination (cont.)

	Question 5	Comments	Question 6	Comments
Russian Federation	yes	More than 20 state bodies have legal rights to request and obtain statistical information	yes	Some representatives of state, regional and local authorities do not seem to understand the principle of statistical confidentiality. They regard statistical data as information means for managing regions or even enterprises. Such attitudes are particularly strong at the regional level.
Serbia and Montenegro	yes	Under the Law on Information System of Bodies and Organisations and only upon request of the government bodies	no	
Slovakia	no		yes	Dissemination of regional data, especially for enterprises/sectoral structure
Slovenia	yes	Small country - dissemination at the micro level vs. confidentiality	yes	Small country - dissemination at the micro level vs. confidentiality
The former Yugoslav Republic of Macedonia	yes	Only for research institutions under the State Statistical Law	yes	Small country - few producers in a specific branch of economic activity; regional statistics
Turkmenistan	no		no	
Ukraine	no	There are legal provisions in the Laws on the Directorate of Public Prosecution, on Internal Affairs Organs and on Security Services giving these institutions the right to request any statistical information they may need.	no	
Uzbekistan	no		no	

Table 4: Access to micro-data

	Question 7	Question 8
	Do researchers have access, under certain conditions, to micro-data of the statistical office for their own statistical purposes?	Have you been confronted with requests from researchers for micro-data and, if so, how have you responded?
Albania	legally possible	few requests
Armenia	legally possible	no requests
Azerbaijan	legally possible	few requests
Bulgaria	legally possible	few requests
Croatia	legally possible	few requests
Czech Republic	legally possible	few requests
Estonia	legally possible	few requests
Georgia	legally excluded*	few requests
Hungary	legally excluded*	many requests
Kazakhstan	unclear legislation*	few requests
Kyrgyzstan	legally possible	many requests
Latvia	legally possible	few requests
Lithuania	legally possible	few requests
Poland	legally possible	many requests
Republic of Moldova	legally excluded*	few requests
Romania	legally possible**	few requests
Russian Federation	no legislation	no requests
Serbia and Montenegro	unclear legislation*	few requests
Slovakia	legally possible	few requests
Slovenia	legally possible	few requests
The former Yugoslav Republic of Macedonia	legally possible	few requests
Turkmenistan	legally excluded*	few requests
Ukraine	legally excluded*	many requests
Uzbekistan	legally excluded*	few requests

* no micro-data access provided

** only for legal public information

Table 5: Respondents' perception of confidentiality protection

	Question 10	comments
	What is the perception of respondents about the statistical office's guarantee to keep their information confidential and to use it only for statistical purposes?	
Albania	Perception of respondents good, they are aware that INSTAT protects confidentiality	positive
Armenia	Results from a survey of respondents showed positive attitude	positive
Azerbaijan	Perception of respondents: they are aware of confidentiality protection	positive
Bulgaria	Survey of respondents (firms) - positive about confidentiality protection by NSO	positive
Croatia	High response rates in surveys - assume that respondents trust in confidentiality protection	positive
Czech Republic	Most respondents trust in confidentiality, few complaints which can be answered by NSO satisfactorily	positive
Estonia	Respondents are notified on confidentiality in questionnaires; respondents accept this	positive
Georgia	Trust expressed by good cooperation, with some exceptions	positive
Hungary	If confidentiality is offended, criminal procedures can be initiated; this never happened; the respondents seem satisfied	positive
Kazakhstan	Not all respondents trust NSO; respondents not even aware of confidentiality protection	some problems
Kyrgyzstan	The NSO does not think that perception of confidentiality protection is a reason for non-response	positive
Latvia	Some public opinion polls show that NSO ranks high in confidence level	positive
Lithuania	Respondents not yet surveyed; events like round tables, workshops indicate that respondents seem to be satisfied	positive
Poland	Respondents perceive that statistical confidentiality is fully respected	positive
Republic of Moldova	General positive perception but respondents are not always fully convinced that confidentiality is kept/disclosure of individual data to other government bodies	some problems
Romania	Respondents are aware and understand confidentiality protection; confidentiality protection is promoted starting with data collection/questionnaire	positive
Russian Federation	Positive	positive
Serbia and Montenegro	There is a certain level of mistrust	some problems

Table 5: Respondents' perception of confidentiality protection (cont.)

	Question 10	Comments
Slovakia	Legal confidentiality protection, positive perception of respondents; still problems with getting information from monopoly enterprises	some problems
Slovenia	General trust, good practice	positive
The former Yugoslav Republic of Macedonia	NSO did not have any comments till now	positive
Turkmenistan	The respondents know that confidentiality is protected by law and accept this	positive
Ukraine	In order to improve respondents trust, confidentiality guarantees are explained on the forms of statistical surveys	some problems
Uzbekistan	Respondents trust the NSO	positive

* no micro-data access provided

** only for legal public information

Table 6: Conclusions

Priority issues named	pre-accession countries*	CIS + others**
Issues related to access to micro-data	7	8
The legal implementation of the principle of statistical confidentiality (legislation, ensure protection of all individual units, implement one-flow principle, ensure that all producers of official statistics apply the principle of confidentiality)	3	11
The need for methodological rules/unified procedures/technical norms for observation of confidentiality issues/methods for data disclosure	5	1
Issues related to administrative registers	0	5
The relationship with users/respondents	2	4
Dissemination issues	2	1

* Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia

** Albania, Armenia, Azerbaijan, Croatia, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Serbia and Montenegro, The former Yugoslav Republic of Macedonia, Turkmenistan, Ukraine, Uzbekistan