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CONFIDENTIALITY OF STATISTICAL DATA

Paper submitted by Goskomstat of Russia²

I. GENERAL

1. Confidentiality of statistical data is one of the fundamental principles of official statistics. It assumes that individual data collected by the Statistical Office are confidential and can be used only for statistical purposes, no matter whether the data concern physical or legal persons.
2. Implementation of the confidentiality principle aims at protecting immunity of private life and at improving trust between the Statistical Office and respondents.
3. The quality of official statistics depends considerably on good collaboration between the Statistical Office and respondents. Protected by confidentiality, the latter tend less to hide or distort the information requested from them in statistical surveys.
4. Legal acts regulate official statistical activities in many countries. Some countries have a special law on statistics, others make use of legal acts relating to individual areas of statistical activity. Usually such legal acts contain norms ensuring confidentiality of primary statistical data.

¹ The original paper was submitted in Russian and is available on the ECE website. The English translation was provided by the UNECE Statistical Division.

² Prepared by Vladimir Sokolin.

5. Currently there is no special law on official statistics in the Russian Federation. At the same time, official statistics are part of the state information resources, the creation, maintenance and use of which, including provisions for confidentiality, are governed by a number of federal laws.

6. One of the instruments for ensuring confidentiality is provided by the federal law "On principles of the state service", according to which persons entering the state service take upon themselves an obligation not to disclose statistical data on legal or physical persons which may become known to them through the service they perform. Non-compliance with this obligation may have disciplinary consequences for the person concerned up to dismissal from office.

II. CONFIDENTIALITY OF DATA ON PHYSICAL PERSONS

7. The 1993 Constitution of the Russian Federation proclaimed immunity of private life and provided for protection of personal and family privacy. Collection, storage, use and dissemination of information on private life without the concerned person's agreement are forbidden.

8. This norm was further developed in the federal law "On information, informatics and information protection", which contains a special clause on personal data, that is, information about facts, events and circumstances permitting identification of the person. Such data are defined by the law as confidential.

9. The application of the confidentiality principle to personal data aims at protecting persons' private life from illegal use of data from files with personal information. This is particularly important in conditions of high criminality.

10. Goskomstat of Russia follows these legal norms in carrying out surveys of physical persons.

11. Household surveys and labour force surveys cover only those persons who have agreed to participate in them.

12. The population census is subject to a special legal act.

13. According to the federal law "On the population census", all data from the census forms are confidential and cannot be disseminated. They are used to form various federal information resources.

14. Special organisational and technical procedures and methods were developed to process confidential data of the 2002 population census.

15. Confidentiality of the population census data is ensured by using an independent local computer network, by applying a system of passwords, by introducing electronic signature to confirm correctness of data transferred over telecommunication channels and by some other techniques.

16. Making data records anonymous precedes data aggregation. Aggregate data do not have confidentiality status.

17. These measures have proven to be effective in ensuring confidentiality of the census micro-data.

III. CONFIDENTIALITY OF DATA ON LEGAL PERSONS

18. Goskomstat of Russia produces economic statistics on the basis of source data collected from legal persons and other economic units.

19. The federal law “On information, informatics and information protection”, the Civil Code of the Russian Federation, the Statute of Goskomstat and the Fundamental Principles of Official Statistics adopted by the UN Statistical Commission in 1993 form the legal basis for Goskomstat to ensure confidentiality with regard to the data provided by respondents in the federal statistical reporting forms. These data are used exclusively to compute statistical aggregates for the country as a whole, for its regions, by branches and sectors of the economy and for the social sphere. The reporting forms contain a note informing respondents about the confidentiality guarantee.

20. Annual balance sheets of enterprises have a different status. According to the federal law “On accounting”, annual balance sheets of practically all financial and non-financial enterprises are non-confidential and can be made public. They are transmitted to territorial statistical organs who make them available to all interested users. This has been Goskomstat’s practice since the adoption of the law in 1996.

IV. POSSIBILITIES OF USING LEGISLATION ON COMMERCIAL SECRET

21. Legislation on commercial secrets can be used to promote confidentiality of individual data, before a special law on statistics is adopted.

22. The Government has recently submitted a draft law “On commercial secret” to the Parliament. The law stipulates that legal or physical persons undertaking entrepreneurial activities have the right to decide themselves which part of the information that they possess should be treated as forming a commercial secret.

23. The owner of a commercial secret is obliged to provide information forming the commercial secret to government bodies in cases stipulated by law.

24. This means that respondents can define themselves what information should be considered as confidential and that statistical organs will then have to ensure confidentiality of that information.

V. ACCESS TO MICRO-DATA BY GOVERNMENT BODIES

25. Provision of statistical micro-data on enterprises to users poses a number of problems. Goskomstat carried out a special survey of large and medium-sized enterprises in 2001-2002 asking one question: would they agree that their individual data collected by regular statistical surveys be available to any interested user without any limitation? About 22 per cent of surveyed enterprises gave a positive answer.

26. Access to micro-data is presently governed by the procedure established by Goskomstat, according to which reported micro-data can be provided to interested users only if there is a written agreement from the enterprise concerned. There are exceptions to this rule resulting from specific provisions in various legislative acts.

27. There is strong pressure on Goskomstat, particularly from local government bodies and from tax authorities, to provide access to micro-data on individual enterprises.

28. Certain state institutions, like Courts of Justice, Police, Office of Public Prosecutor and some others, do have the legal right to access micro-data. Goskomstat has established a separate procedure for these institutions.

29. In order to obtain confidential data, these institutions must submit a written request to the respective territorial statistical body. The request should be written on a special form and signed by a competent person. Data are provided only after the request is cleared by the Information Security Unit of Goskomstat for its compliance with law.

VI. ACCESS TO MICRO-DATA BY RESEARCHERS

30. There is great interest in micro-data from researchers.

31. When nominative information on enterprises is not important for the purposes of research, files with micro-data precluding the possibility of identifying individual enterprises can be disseminated for research work.

32. Such an approach is used for dissemination of results of the national survey of welfare of households and of their participation in social programmes. Disseminated information includes documentation of the project, aggregate data and processed micro-data, which preclude identification of respondents.

33. Similarly, starting from 2005 it is planned to provide to researchers anonymous micro-data of household budget surveys.

34. Ways of providing micro-data to users are also considered within the framework of the implementation of the project on measurement, monitoring and analysis of poverty carried out by

Goskomstat and the Ministry of Labour, supported by the World Bank and by the Department for International Development of the UK.

35. Ensuring confidentiality of statistical data at both aggregate and micro-data levels suggests the implementation of a number of technical and programming measures for information protection.

VII. DATA PROCESSING AND CONFIDENTIALITY

36. Statistical methods for ensuring confidentiality include aggregation of micro-data, adjustment of the levels of detail in the classification structure of data, cancellation of individual data in statistical tables and modification of data. An optimal combination of different methods depends on specific characteristics of the source information and on conditions of data processing.

37. It is difficult to ensure confidentiality of source data in small groupings, which is often the case with regional data.

38. Excluding nominative information from micro-data is effective, in terms of achieving confidentiality, when data are aggregated over a relatively large number of enterprises of comparable size. However, when there is one large, for example metallurgical, enterprise in the region, hiding its nominative information does not help in preventing identification of this enterprise and of the information related to it.

39. This problem should be taken into consideration while transmitting micro-data to users. An effective solution might be the application of special rules for aggregation of micro-data, such as the “threshold rule” and the “rule of domination”.

40. Special computer software is often needed to facilitate complex and labour intensive methods for ensuring confidentiality of statistical data.

VIII. MAIN PROBLEMS IN ENSURING CONFIDENTIALITY

41. The following can be referred to as main problems in ensuring confidentiality of statistical data in the Russian Federation:

- absence of a special law on statistics, which would provide a legal basis for the confidentiality principle;
- existence of clauses in various legislative acts, according to which certain government bodies have the right to request information. In the absence of a law on statistics, references to the principle of confidentiality of micro-data are not accepted by them;
- the role of statistics is not fully understood by some representatives of the executive branches of power, particularly at the local level, who tend to regard statistical data as an information means for administering the territory or even for regulating activities of individual enterprises;
- unresolved technical aspects of data transmission over telecommunication lines.