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“GOVERNMENT INTEGRATED DATABASE” PROJECT

Prepared by National Statistics Office of Mongolia<sup>1</sup>

***Abstract***

*For every country, the main responsibilities of a government are to improve the living standards of its population, make health care services more inclusive, improve education quality, ensure security, and support the labor market and economic growth. To exercise the responsibilities, data plays a crucial role in shaping policies, assessing its effectiveness, and determining the status of every industry. Formulating policy based on data enables one to see the overall picture by looking at the past situation, current status and future trends at the same time, thereby significantly increases the effectiveness and inclusiveness of that decisions.*

*In recent years, there is a growing need for big databases representing cross-sectoral relationship for policy decisions. Effectiveness of a country’s development policy has become dependent on the intersectoral policy coordination. However, intersectoral policy coordination cannot be evaluated without an integrated database.*

*Creating “Government Integrated Database”, it will enable formulation of social and economic policy of Mongolia and accurately measure its effectiveness based on a complete set of data that is interlinked and meets quality requirements.*

**I. PROJECT GOAL AND OBJECTIVES**

1. The main goal of the establishing government integrated database is to support public policy with quality, objective, national level, and integrated data, and to guide every citizen of Mongolia to a quality life. The aim is to provide integrated data needed for pre-policy estimates and post-policy implementation assessments developed by the Government of Mongolia and other government organizations, thereby it will improve public policy efficiency and make public services smarter and more accessible. For the successful implementation of this project, the following objectives are set:

- Create a historical database for each citizen and business entity and use the integrated data

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- Improve policy development and public services by ensuring a high level of confidentiality and security.
- Connect the data of all government organizations to the integrated database in the long run by following the principle of step-by-step operation.
- Eliminate statistical data discrepancies and providing users with a common understanding.
- Increase access and use of micro data, reduce the burdens on data providers.

## II. EXPECTATIONS FROM A PROJECT

2. Government integrated database will improve Mongolia's long-term policy rationality, increase access to public services, make public spending more efficient, and have a real-time national database.

### A. Cost efficiency and social benefits

#### 1. *Reduced expenditure of government budget*

No	Budget efficiency	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Total 10 years
1	Cutting government spending on sample surveys and census	0.56	3.45	1.15	2.50	0.90	4.13	5.69	3.76	4.21	2.29	28.6
2	Cutting international organization funding on sample surveys and census	0.00	0.0	0.0	0.0	0.30	0.30	0.30	0.46	0.46	0.46	2.28
3	Budget cuttings by accurately define the number of beneficiaries to be qualified for food stamp program	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	180.0
4	The revenue of the government big data usage from the private sector	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	19.0
5	<b>Total /billion togrogs/</b>	<b>19.6</b>	<b>23.5</b>	<b>21.2</b>	<b>22.5</b>	<b>21.2</b>	<b>24.4</b>	<b>26.0</b>	<b>24.2</b>	<b>24.7</b>	<b>22.8</b>	<b>229.9</b>
6	Present Value	4.5	16.5	18.0	19.3	18.0	23.7	25.1	23.2	23.5	21.6	<b>193.5</b>
7	Net Present Value	<b>193.5</b>										

#### 2. *The opportunity cost of economics*

3. Support private sectors production: The Government's integrated database will be a great support to funding mechanisms to assist SMEs and private sectors in times of economic recession. It will have the opportunity to have a tremendous amount of production, new workplace, value-added in private sectors, and funding will be available to the best borrowers.

4. To reduce living costs: Government integrated database not only improves government policies and services, but also provide support to public livelihoods based on digital data, this will continue to create some savings in the household budget on a regular basis. For example: By integrating traffic videos into digital data in USA, an integrated system create regulates of traffic control depending on the traffic at each cross junction. This reduces the number of hours a vehicle spends on the road each year by 805,000 hours and saves 1 million gallons of oil, which amounted \$3 million. In Mongolia, the total number of vehicles, registered in Ulaanbaatar, reached 615.6

thousand. However, in 2020, imports of AI-92 and AI-95 fuels amounted to 289 million USD or 824 billion MNT in Mongolia. By using the government integrated database, if traffic congestion in Ulaanbaatar can be reduced by at least 30 percent, it will save by 130 billion MNT in inefficient petroleum consumption.

### 3. *Social importance*

5. **It is important to create value in society:** Gaining value through database can be an incentive for businesses to be more efficient and facilitate growth. In this regard, the results and impact of our project are important for ensuring the economic, social and cultural rights and freedoms of Mongolians and improving their quality of life.

6. **Positively affect person's health and longevity:** Identifying the current situation of key sectors at which government policy and public services are aimed such as society, economy, education, and health and correctly assessing the needs to be considered in the future is instrumental in effective policy. Since databases held by public institutions are not linked to each other, some target groups cannot identify well. Therefore, data on those groups who are unable to access the public services equally and are not validated by statistics for informal sector employment, the unemployed, vulnerable citizens, the poorest population and the homeless can be captured and their situation and needs can be identified accurately by creating the Government Integrated Database.

7. **Positive impact on improving the knowledge and education of citizens:** The capacity of human resources to analyse big data will be strengthened. In particular, the analysis, use and utilization of large amounts of data by social groups such as scientists, researchers, students, and pupils will increase. Information security is very important in building social awareness. It is also important to limit attempts to interfere with social psychology, stability, individual consciousness, and ethics.

### III. PROJECT OUTCOME

8. The project will be implemented during 2022-2026 and has 5 implementation phases. Major outcomes from the project will be the following:

- Big data infrastructure for government organizations will be created.
- Costs and time required to shape government policy can be saved.
- The current social and economic situation and the future needs can expeditiously be identified for each target group.
- Evidence based decision making can be improved.
- The cost of data and analysis infrastructure for government agencies will be saved.
- The quality of official statistics will be improved.
- The quality of data from government agencies will be improved and the data discrepancy will be disappeared.

9. The project will also serve as an accelerator of a shift from the traditional business processes to modern statistical processes – the modernization of official statistics by improving the data management and governance. The NSO, in its capacity as coordinator of the national statistical system, will conduct and co-ordinate the project and collaborate with relevant government agencies.

10. One of main challenges to be faced in the course of the project implementation is the legal frameworks. Specifically, it is necessary to improve legal provisions in relation to access to datasets and databases held by public and private organizations, data exchange between organizations, and data confidentiality and security. Hence, we have set up a Working Group entrusted with revising the existing Statistical Law of Mongolia at the NSO. At the government level, development of proposals for new laws on public information, personal secrecy, digital signature and data protection is underway.

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