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Collaboration with private data providers

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Summary

The Bureau of National Statistics of the Republic of Kazakhstan is developing national statistics in three main directions: improving methodologies, expanding available data sources, and reengineering the business processes and improving statistical literacy. This document describes the plans for improvement that are expected to lead to increase in the demand for data from all stakeholders and developing a culture of decision-making based on data.

The document is presented to the Conference of European Statisticians' session on "Collaboration with private data providers" for discussion.



I. Introduction

1. The basic condition for effective public policy is the availability of correct information on the situation in the country. One of the first steps to strengthen the independence and political status of the Bureau of National Statistics of the Republic of Kazakhstan is its transformation and transition to the Agency for Strategic Planning and Reforms, which is directly subordinated to the President of the Republic Kazakhstan.
2. On the one hand, this institutional setup allows the Bureau to participate actively in the development of structural reforms and adapt the statistical work plan to the updated needs of the state bodies. On the other hand, it gives the opportunity to promote the internal reform agenda of the Bureau to improve its work.
3. Today, the Bureau's efforts are focused on three directions for further development of the national statistics: improving methodologies, expanding the available sources of information, and modernisation of the office and improving statistical literacy. These directions are explained below.

II. Improvement of methodologies

4. The first direction is methodological update and clarification. The Bureau of National Statistics has faced criticism many times on the official statistical indicators on unemployment, inflation and many other topics.
5. To enhance confidence in the data the Bureau has this year initiated reviews of the methodology by international organizations. IMF has been engaged to review the System of National Accounts and indicators on inflation. The next step is the Global Assessment of the entire statistical system by UNECE and a review by OECD.
6. In addition to following international standards, it is important to communicate with society to explain the methodology in a simple language to the widest possible range of users. For this purpose, the Bureau has started creating interactive dashboards that will enhance the understanding of generated statistics and provide deeper analytics for users.

III. Using new information sources

7. The second direction is to expand the available sources of information.
8. Following the digitalization of economy, there has been an unprecedented increase in the volume of data which today, unfortunately, remain outside official statistics. Civil servants often do not know about these data or are afraid to use them, since their validity has not been confirmed.
9. In this regard, the new role of the national statistical office is to unlock the potential of alternative sources of information.
10. The Bureau intends to demonstrate its capabilities to other government agencies using the example of specific cases.
11. For these purposes, a National Analytical Center has been established at the Bureau. Currently, work is underway on the construction of economic trackers. This is a system of streaming indicators that will be compiled on the basis of data from payment systems, fiscal receipts, mobile network operators and other sources of transactional activity.
12. It is obvious that the traditional system of monitoring the socio-economic state of the economy based on indicators such as GDP requires modernization with the transition from periodic indicators to elements of data science and forecasting.
13. The Bureau intends not only to speed up information processing but also to eliminate the human factor. This will significantly increase the efficiency of decision-making and, importantly, the level of trust of users.

14. In future, national statistical offices will inevitably transform into data agencies with expanded access to alternative sources of information.

IV. Structural changes and improving data literacy

15. For the transformation into data agencies to become possible, the successful implementation of the third direction is required: the reengineering of the structure and business processes, and modernization of the data management culture.

16. The organizational structure must meet the planned changes. In this regard, the Bureau is implementing a project approach and regularly monitors the implementation of reforms.

17. The culture of data management is an urgent issue today that needs to be addressed.

18. The ideas from the 2021 ‘World Development Report: Data for better lives’ by the World Bank largely reflect the position of the Bureau in relation to data. In particular, the emerging need to conclude a social contract that will unlock the potential of data, thereby improving the quality of life.

19. For this to happen, systemic measures are necessary, including legislative changes. Currently, a separate Data Management Policy Unit is being created in the Bureau, and a corresponding concept is developed. By the end of 2022, one of the priorities of the Bureau is to prepare amendments to the legislation and include them in the draft Digital Code, which is planned to be adopted by Kazakhstan in 2023.

20. The Bureau is considering the possibility of launching a program to develop a culture of data management (Data Literacy). The Bureau plans to prepare massive open online courses that will be combined into one specialization on one of the popular online platforms, such as Coursera, edX or any other platform.

21. The training programs will be focused on different levels of knowledge and needs of participants, ranging from the most basic to the most advanced level of data analysts.

22. The basic course will cover the widest range of citizens, teaching them how to work with published data, how to work with information sources and check their reliability. The role of the national statistical office in the data ecosystem will also be explained here.

23. The next level of training will be aimed at employees of statistical offices and key government agencies responsible for making decisions based on data, as well as experts who want to dive deeper into the statistical system. Methodological issues on the main branches of statistics, data quality standards and the use of alternative sources of information will be discussed here.

24. A top level will be developed for advanced consumers, including a two-stage course of descriptive statistics and predictive analysis. The first part will be devoted to descriptive analysis, data visualization and identification of patterns based on them. The second part of the course will be devoted to predictive analysis, machine learning methods and other data science tools.

25. All three levels will be accompanied by examples of data application. The Bureau is confident that in this way it will be able not only to train citizens to better understand statistics, but also to form a culture of decision-making based on data, not only at the level of government agencies, but also among the critical mass of the population.

26. Ultimately, the implementation of this initiative will increase the demand for data from all stakeholders, which in turn will lead to an increase in the quality of decisions made.