

Global Assessment of the National Statistical System of Ukraine

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List of abbreviations

AGA	Adapted Global Assessment
BOP	Balance of payments
BPM	Balance of Payments and International Investment Position Manual
MCC	Main Computing Centre
CES	Conference of European Statisticians
CIF/FOB	Conversion of import value from cost, insurance and freight (CIF) to free-on-board (FOB)
CIS	Commonwealth of Independent States
COFOG	Classification of the Functions of Government
COICOP	Classification of individual consumption by purpose
CPA	Classification of Products by Activity
CPI	Consumer Price Index
CPIS	Coordinated Portfolio Investment Survey
CTEA	Classification of Types of Economic Activity
DESAP	European self-assessment checklist for survey managers
EECCA	Eastern European, Caucasus and Central Asian countries
EFTA	European Free Trade Association
EHIS	European Health Interview Survey
EHQR	ESS Handbook for Quality Reports
EMOS	European Master of Official Statistics
ESA	European System of Accounts
ESCoP	European statistics Code of Practice
ESQR	ESS Standard for Quality Reports
ESS	European Statistical System
ESTP	European Statistical Training Programme
ETS	External trade statistics
EU	European Union
FAO	Food Agriculture Organization
FDI	Foreign Direct Investment
FISIM	Financial Intermediation Services, Indirectly Measured
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GNI	Gross National Income
GRP	Gross Regional Products
GSBPM	Generic Statistical Business Process Model
GSIM	Generic Statistical Information Model
HBS	Household Budget Survey

HLCS	Household Living Conditions Survey
HPI	Housing Price Index
HS	Harmonized Commodity Description and Coding System
ICLS	International Conference of Labour Statisticians
ICP	International Comparison Programme of the World Bank
ICT	Information and Communication Technologies
IIP	International Investment Position
ILO	International Labour Organization
IMF	International Monetary Fund
ISPSD	Integrated System of Processing Statistical Data
IT	Information Technology
ITRS	International Transactions Reporting System
KOATUU	Classification of Administrative and Territorial Division of Ukraine
KVED	Classification of economic activities (KVED in Ukrainian)
LCS	Labour Costs Survey
LFS	Labour Force Survey
LSS	Law “On State Statistics”
MED	Ministry of Economic Development and Trade
MoF	Ministry of Finance
MoU	Memorandum of Understanding
NACE	Nomenclature statistique des activités économiques dans la Communauté européenne (Statistical classification of economic activities in the European Community)
NASAA	National Academy of Statistics, Accounting and Audit
NBU	National Bank of Ukraine
NOE	Non-observed economy
NSI	National Statistical Institute
NSS	National Statistical System
NST	Standard goods classification for transport statistics
OECD	Organisation for Economic Co-operation and Development
ONA	Other National Authorities
PHC	Population and Housing Census
PMG	Production of Manufactured Goods
PPI	Producer Price Index
PRODCOM	List of PRODUcts of the European COMmunity
RSU	Register of statistical units
SBS	Structural Business Statistics
SCP	Statistical Classification of Products

SDDS	Special Data Dissemination Standard
SDMX	Statistical Data and Metadata eXchange
SEEA	System of Environmental-Economic Accounting
SES	Structural Earnings Survey
SFS	State Fiscal Service
SILC	Statistics on Income and Living Conditions
SIMS	Single Integrated Metadata Structure
SKOF	Statistical Classification of Organizational Forms of Entities
SNA	System of National Accounts
SRE	Statistical register of enterprises
SRI	Scientific and Research Institute
SRIE	Statistical register of individual entrepreneurs
SSSU	State Statistics Service of Ukraine
STS	Short Term Statistics
TAIEX	Technical Assistance and Information Exchange
UAH	Ukrainian Hryvnja
UIS	UNESCO Institute for Statistics
UN	United Nations
UNECE	United Nations Economic Commission for Europe
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNSD	United Nations Statistics Division
USD	United States Dollar
USREOU	Unified State Register of Enterprises and Organizations of Ukraine
WCA	World Census of Agriculture
WHO	World Health Organization

Preface

The Global Assessment (AGA) of the national statistical system of Ukraine was undertaken within the framework of the Eurostat-funded project '*Assessment of the statistical systems and selected statistical areas of the enlargement and ENP countries*'. ICON-INSTITUT in consortium with DevStat, contracted by Eurostat, organised all activities and tasks related to the GA. Eurostat initiated the GA following a request by the State Statistics Service of Ukraine (hereinafter SSSU) made in 2015.

The assessment was conducted by the following experts: Mr. Richard Laux (Deputy Head of Regulation, UK Statistics Authority), who was the leading expert, and Ms. Bronislava Kaminskiene (independent consultant) and accompanied by Ms. Claudia Junker (Eurostat), Mr. Kurt Wass (EFTA) and Mr. Paolo Valente (UNECE). Mr. Rauf Salimov from the State Statistical Committee of the Republic of Azerbaijan participated in the assessment as an observer.

The assessment findings are based on an extensive review performed during the assessment missions, which took place on January 11-15, 2016 in Kiev and on April 4-8, 2016 in Kiev and the regional office in Zhytomyr.

Prior to the first mission, SSSU staff completed a self-assessment questionnaire (SAQ) 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 the documents provided by the SSSU, documents available on their website, and information collected and discussed during the in-country missions. Missing documentation was also provided by the SSSU after both missions in electronic format.

The collaboration between the assessment experts and the team of the SSSU was constructive throughout all phases of the GA.

Executive Summary

The main goal of the Global Assessment of the National Statistical System (NSS) of Ukraine is to evaluate the level of conformity vis-à-vis European standards, incorporating the UN Fundamental Principles of Official Statistics, the European statistics Code of Practice (ESCoP), as well as the Eurostat Statistical Requirements Compendium. Through this process the GA supports the improvement of the NSS and its alignment with European and international recommendations, standards and best practices.

The main body of the Ukrainian statistical system is the State Statistics Service of Ukraine - the “specially authorised central executive body in the area of statistics”. Subordinated to the headquarters are regional state statistical bodies and three “functional state statistics bodies”: the State Enterprise “Scientific and Research Institute for Statistical Research”, the National Academy of Statistics, Accounting and Audit, and the State Enterprise “Information-Analytical Agency”. These bodies pursue the orders of the SSSU but have their own budget.

Since the previous AGA (in 2011) the SSSU has made good progress in a number of statistical domains, applying EU standards in the production of statistics and increasingly aligning statistical output with the EU *acquis*. However, the extent of professional independence has deteriorated - reflecting wider changes in the Ukrainian legal system. A revised statistical law will rectify many of the areas of current concern, though a more substantial revision of the statistical law will be required after the GA to comply fully with European standards.

The assessment team’s recommendations to strengthen professional independence are as follows:

1. The SSSU needs the support of the Parliament and Government of Ukraine to rapidly adopt the suggested changes to the Law “On State Statistics” (LSS) to enhance professional independence, in advance of consideration of the new Generic Law on Official Statistics.
2. The SSSU needs to explore and understand European best practice in the activities of statistical councils, in order to develop proposals for the role, responsibilities, membership – to include representatives of users from a range of sectors (including business, academia and civil society) - and working arrangements of the Statistical Council, consistent with the Generic Law on Official Statistics.
3. The Generic Law on Official Statistics, as endorsed by the Conference for European Statisticians should provide the basis to profoundly revise the statistical law to be in line with the Generic Law on Official Statistics. The law should define the National Statistical System. As part of the new law:
 - a. the composition of the National Statistical System – probably including the Ministry of Health, but not including the Customs Authority – should be defined;
 - b. the heads of statistical departments in Ukraine’s Other National Authorities (ONAs) that produce official statistics – the Ministry of Finance and the National Bank, and (as recommended above) the Ministry of Health - should be recruited, appointed and operate in a manner consistent with the requirements of Principle 1 of the ESCoP, on Professional Independence;
 - c. the term ‘official statistics’ should be introduced throughout the law;
 - d. the coordination role of the SSSU should be defined;
 - e. the Annual Work Plan should be extended to cover the NSS, by including
 - i. the statistical activities of the Other National Authorities that produce official statistics;
 - ii. a list of the administrative data sources used;
 - iii. the work of other members of the NSS;
 - iv. any other data providers;

- v. main development activities of official statistics;
- f. all executive authorities in Ukraine should consult the SSSU about all proposed legislation that might impact on official statistics;
- g. the SSSU should have the right to access and use administrative/register data for statistical purposes, free of charge;
- h. the SSSU should be consulted by owners of administrative data systems and registers about proposed changes to such data and systems;
- i. the Chair of the SSSU should be responsible for the general management of the SSSU, including its central and regional offices, in full conformity with statistical legislation, and shall independently decide on the structure, tasks and appointment of the staff;
- j. deputy Chairs, Heads of Department, and heads of regional offices should be appointed by the Chair of the SSSU, alone;
- k. the Chair of the SSSU should be invited to meetings of the Cabinet of Ministers when statistical issues are discussed.

SSSU's mandate for data collection is specified in law, and implemented in the form of the annual plan for statistical surveys and an apparently effective system of data access agreements (relating to other organisations' administrative data sources). However, the statistical law is not widely perceived as taking precedence over other organisations' legal frameworks, so in practice considerable time is spent addressing these legal mismatches. The assessment team was told that proposed changes to the statistical law will enhance SSSU's access to administrative data sources.

The SSSU receives a mixture of individual level data (including from tax authorities - anonymised, for natural persons, to comply with Data Protection legislation) and aggregate information (typically from health organisations) from administrative sources.

The assessment team's recommendations to strengthen SSSU's mandate for data collection are as follows:

As part of the new law (see recommendation 3) the SSSU should:

- 4. Extend the Annual Work Plan to cover the NSS, by including a list of the administrative data sources used (see also recommendation 3.e.ii).
- 5. Have the right to access and use administrative/register data for statistical purposes, free of charge, and be consulted about proposed changes to such data and systems (see also recommendation 3.g).

The assessment team reviewed the adequacy of resources within the SSSU. While the overall combined staff number of the SSSU and its territorial bodies seems to be rather high, this needs to be viewed in light of the still very much face-to-face focused interviewing process for statistical surveys and hence the need of the statisticians to be close to the respondent units. Due to the enforced reduction of staff, the SSSU has already implemented a remarkable streamlining of its production processes and reduced the number of district offices as well as the overall number of staff allocated to the district offices. These efforts should be continued but certainly need to be accompanied/ or can only be implemented when face-to-face interviews are continuously and increasingly replaced by electronic reporting. The already envisaged and partly implemented business process orientation of the SSSU may also contribute to a further streamlining and, hence, a better balancing of staff allocated to the SSSU and to its territorial bodies.

The qualifications of staff are adequate and provide the basis for a continuing production of good quality statistics despite the reduction of staff number, salaries and (at the time of writing) the

uncertainty about the chairmanship of the SSSU; however training to address future development needs and to integrate staff members is needed. As hardly any internal training programme exists in the SSSU, the role of the National Academy on Statistics, Accounting and Auditing is - in these circumstances - crucial in providing training on basic and advanced statistical qualifications and on European standards to support the SSSU in applying these standards in their work.

The current salary levels are neither suitable to maintain the necessarily highly qualified staff in the SSSU nor to attract young highly qualified staff in the future. The overall financial resources are just sufficient to implement current activities with low paid staff but do not leave any room for manoeuvre for development activities and for future investments in infrastructure, repair of the building and the creation of a modern working environment. The level of resources is clearly not adjusted to the needs of a modern statistical office.

Recruitment procedures are competence based and this will apply to the top positions of the SSSU as well, once the revision of the statistical law is approved.

The assessment team's recommendations to strengthen the adequacy of SSSU's resources are as follows:

6. The SSSU needs the support of the Parliament and Government of Ukraine to ensure that adequate funding is provided to cover the implementation of the Association Agreement between the EU and Ukraine on the part of statistics. This implies an adequate budget to enable development activities in general (such as modern ways of data collection, use of big data, modern e-services) and in particular the development of new statistics as well as to attract and retain suitably qualified staff.
7. The SSSU should seek access to expertise and funding, and take other opportunities, to provide English language training for staff, and deepen awareness and understanding of the ESCoP across the NSS. Such activities also need to be adequately funded by the government.
8. The SSSU should pilot the use of flexible working arrangements in SSSU's headquarters in order to increase the attractiveness of the SSSU to young staff.
9. The SSSU should advise (together with the NASAA) the Government of Ukraine on the most appropriate organisational arrangements to ensure that the Academy can continue to perform its role as a substantial provider of training to SSSU staff. This should include advising on the possibility of the Academy operating as a centre of excellence for training for staff in EECCA countries.
10. All stakeholders should speed up work to develop SSSU's technical infrastructure:
 - a. give high priority to the development of a new unified SSSU web portal, providing a single point of access to statistical information at all geographical levels;
 - b. increase the use of e-reporting;
 - c. continue to migrate surveys to the integrated system, ensuring that primary data from old surveys are migrated too. Also, ensure that registers can be connected to the integrated system;
 - d. provide access to email and the internet for all staff;
 - e. move towards international standards for metadata reporting, e.g. SDMX;
 - f. support the use of tablets (or other mobile devices) to conduct interview-based surveys in order to improve the timeliness, quality and cost effectiveness of the sample surveys of the population (households). This will also require expanding the SSSU institutional capabilities on usage of the relevant software products.

The SSSU has developed the national principles of activity as part of its commitment to quality. A system of self-assessment questionnaires for monitoring and evaluating the statistical

processes has been created and implemented. Recommendations for standard quality reports and meta-descriptions for users are designed and implemented. It is planned to improve the structure of meta-descriptions by implementing the standard European Single Integrated Metadata Structure (SIMS).

The assessment team's recommendations to strengthen SSSU's commitment to quality are as follows:

11. Continue the preparation of Quality Reports (QRs) for all statistical surveys (producer-oriented) and for all outputs (user-oriented), in line with ESS standards and formats – seeking feedback from users on the QRs - and develop metadata harmonised with the ESS Handbook for Quality and the Single Integrated Metadata Structure.
12. Revise existing quality management documents and prepare a quality commitment statement (including a quality policy), and quality guidelines.
13. Prepare information for staff about the quality commitment, policy and guidelines.
14. Provide training for staff about quality management.

The legal basis for the protection of statistical confidentiality is formulated in the Law “On State Statistics”. The law strictly prohibits the disclosure of confidential statistical information.

Article 21 of the law states that data collected for statistical purposes (from surveys or administrative sources) are classified as “confidential information” and can be used “exclusively for statistical purposes in aggregate depersonalised format”.

However, some legislative acts (such as on the prosecutor's office, on Ukraine's security service, on the militia, on investigative activities and a number of others) make provision for the possibility that these law-enforcement bodies can obtain confidential data from the statistics bodies. The conflict between Ukraine's statistical law and other legislative acts could facilitate the disclosure of confidential statistical data that contradicts the statistical confidentiality principle.

Moreover, the SSSU no longer has a special unit responsible for the protection of information and is waiting for the Ministry of Economic Development and Trade to approve a new policy relating to the provision of micro-data to scientific institutions for approved research purposes. Notwithstanding the fact that such a question should be for the SSSU to determine for itself, the assessment team considers that the (re)introduction of micro-data provision under controlled and closely monitored arrangements is to be welcomed.

The assessment team's recommendations to strengthen SSSU's confidentiality protection are as follows:

15. The SSSU needs the support of the Parliament and Government of Ukraine to ensure that, as part of revising the statistical law:
 - a. SSSU's activity is only statistical in nature – with no administrative function on behalf of government – in particular that the SSSU should not be required to provide data about the wage arrears of individual enterprises to Government;
 - b. The confidentiality of data about natural or legal persons should be completely protected, including when court decisions are issued regarding the provision of individual data;
 - c. Identifying information on original survey forms should be deleted as soon as the information is no longer needed for statistical purposes.
16. Re-establish the structural sub-division on information protection.

The assessment team reviewed the SSSU's impartiality and objectivity. All statistical surveys are carried out in accordance with the methodologies approved by SSSU decrees. Methodological documents (short methodologies, quality reports, meta-descriptions) for the users of statistics are designed, approved and published on the SSSU website. All users have equal access to the statistical information.

The assessment team recommends that the SSSU should strengthen its impartiality and objectivity by taking the following steps:

17. Prepare, publish and implement a revision policy.
18. Prepare, publish and implement an error-correction policy.
19. Publish information about changes to methodology in advance of the implementation of the new methods.
20. Strengthen SSSU's interaction with the media, including offering regular and frequent press conferences, to explain changes in methods as well as to explain new sets of statistics, publicising the 'hotline' (and meeting information requests quickly), and publishing straightforward guides explaining how key statistical indicators are derived.
21. Publish a calendar of forthcoming statistical releases, including not only the precise date but also the precise time of release.

The SSSU has a strong commitment to the use of sound and harmonised methodology both for the conduct of statistical surveys and use of the administrative data; and it takes into account user needs and respondents' concerns in the design and conduct of statistical surveys.

The national system of statistical classifications is based on the European system of classifications and national statistical classifications are introduced into statistical surveys based on relevant legislation. Based on the compliance matrices of the European classifications, national compliance matrices are made available.

In 2014, the SSSU established the Department of Statistical Infrastructure coordinating the development and use of structural metadata (national statistical classifications and handbooks) for statistical production. However, the SSSU does not have a structural subdivision responsible for methodology.

All statistical surveys are conducted in accordance with methodological documents and guidance approved by the SSSU and available on the SSSU website.

The assessment team recommends enhancing the compliance with the principle of sound methodology through the following action:

22. The SSSU needs the support of the Parliament and Government of Ukraine to enable it to have full responsibility for developing and issuing technical/ methodology/ statistical policy documents in accordance with the principle of professional independence. After a profound revision of the Law "On State Statistics", the SSSU should develop, approve and implement policies on the misuse/ misinterpretation of statistics, on the treatment of ad hoc revisions, and on confidentiality (including access to micro-data by researchers).

The SSSU demonstrated its use of appropriate statistical procedures to the assessment team. The SSSU has an impressive survey planning process, referred to as an inventory. Annually, an inventory of statistical surveys, which is a particular kind of internal audit of the SSSU, is conducted to improve the surveys and the quality of statistical data. Different self-assessment questionnaires are used while conducting the inventory: a national questionnaire developed and based on DESAP (European self-assessment questionnaire for survey managers), a questionnaire for improving statistical surveys (for heads of statistical surveys), a questionnaire for the

management of processes (sub-processes) of statistical production (for an authorised person responsible for the improvement of procedures) and a questionnaire for improving the results of surveys (for the regional offices).

The results of filling in, auditing and analysing the self-assessment questionnaires have a direct impact on the annual work plan (in the context of improving and enhancing efficiency), as well as on the determination of priorities for further development of the NSS in terms of harmonising it with European standards.

The assessment team recommends improving efficiency of statistical procedures through the following steps:

23. Consider making changes to the SSSU's organisational structure to allocate clear responsibility for the main stages of the GSBPM.
24. Explore the possibility of streamlining the survey planning processes ('inventorisation'), drawing on external expertise as appropriate and feasible.
25. Apply the logic of inventorisation to complex statistical activities that use administrative data sources.

The SSSU devotes considerable effort to ensuring that there is a non-excessive burden on respondents. It includes a target number of respondents submitting reports in electronic form in its annual work plan. In 2014, the target was 25% of the total respondents. At the end of 2014, the actual level of respondents who submitted reports in electronic form was 39%. For 2015, the target was 40% and 42 % of respondents submitted the reports in electronic format.

The SSSU cooperates with the developers of e-reporting and accounting software in order to enable the completion of statistical reports using data from businesses' accounts, and to monitor /check data which are entered by the respondents.

A methodology for evaluating the burden on respondents has been elaborated; since 2013 response burden is calculated annually based on the questionnaires provided by respondents. Information on response burden is included in the annual report on the activity of the SSSU, and is used during the inventory of statistical surveys and the testing of statistical tools as well as for calculating the respondents' satisfaction index. In order to increase awareness about statistical surveys among respondents, the SSSU improved the presentation of relevant information on its website in 2014.

The assessment team considered the SSSU's cost-effectiveness. Some measurement of the use of resources takes place, but to a limited extent, with room for development. Such measurement is hampered by the strictly regulated system of budget planning and spending in Ukraine with defined limits for certain cost categories (wages and salaries of staff, computers and office equipment). The long-term strategy of the SSSU includes a task to introduce cost accounting but only the very first steps have been taken to implement it. The SSSU has time records per employee but these are recorded in time values and are not yet converted into financial indicators. For the use of administrative data sources, considerable efforts are deployed to exploit their potential but mismatches in law and the development of quality checks are the challenges the SSSU is facing in this respect.

At the same time, there are a number of normative documents that specify the cost of some services, goods and tariffs on the basis of which the calculations of resources needed for statistical activities are made (e.g. size of payment to households for participation in the living condition survey, costs of business trip expenses, tariffs for energy products and communication services, main and additional components of staff wages, limits for purchasing computer equipment, furniture).

The assessment team recommends that to strengthen its cost-effectiveness the SSSU should:

26. Introduce a system of cost-accounting.

In order to provide statistics that have relevance, user opinions about statistics are assessed using specific satisfaction surveys. Proposals from respondents and users are taken into account in the development of the annual work plan.

The SSSU has developed a methodology to calculate an index of user satisfaction and a questionnaire for a user satisfaction survey.

The assessment team recommends that the SSSU should take the following steps to strengthen the relevance of its statistics:

27. Implement a general online user satisfaction survey, and use it to develop approaches to better meet the needs of different categories of users.
28. Establish user groups for the main statistical domains, drawn from a wide range of types of users including business, academia, the media, and international organisations.

Accessibility and clarity is rooted in Ukrainian law. The dissemination policy for the State statistical bodies, approved by SSSU order No. 339 of 24 November 2015, is developed in accordance with the laws of Ukraine “On state statistics”, “On information”, “On access to public information” and Regulation No. 481 of the State Statistical Service, approved by the Resolution of the Cabinet of Ministers of Ukraine of 23 September 2014.

The dissemination policy provides that the SSSU website and the websites of its regional bodies are the main instruments for the first release of statistical data. For users’ convenience, publications are printed too.

In accordance with the Law “On Access to Public Information” users are provided with statistics and metadata. All statistical publications are available on the website in PDF files, Excel or Word format.

The SSSU continues further harmonisation of macroeconomic and financial indicators with international standards, as well as work on the implementation of a new and improved standard SDDS+, approved by the IMF Executive Board. In this, the SSSU cooperates with the Ministry of Finance and the National Bank of Ukraine. The new standard covers a wide range of issues and aims to better reflect the functioning of the global financial system, relying on the stringent data dissemination conditions.

Procedures for the submission and consideration of a request for statistical information are available and posted on the website. Quantitative information about users as well as media questions and answers about statistical indicators and products are documented. A procedure for conducting user satisfaction surveys of individual user groups and specific statistical areas was defined and implemented and results of these surveys are available on the SSSU website.

Monthly reports are compiled on access to the website of the SSSU and its territorial bodies in accordance with the Law “On access to public information”. The SSSU website has a counter of the site’s visits.

The assessment team recommends that in order to strengthen accessibility and clarity the SSSU should take the following steps:

29. Give high priority to the development of a new unified SSSU web portal, providing a single point of access to statistical information at all geographical levels (see recommendation 10).
30. Develop procedures for archiving statistics and metadata in the integrated system.

31. Describe the procedure for updating quality indicators and quality reports.
32. Inform the public about statistical processing services that are carried out regularly. Results of any statistical services that are provided without compensation, including their metadata, shall be made publicly available.
33. Finalise, publish and implement micro-data access protocols.
34. Provide staff with training about metadata.

The assessment team had detailed discussions with the SSSU about organisational and structural aspects of the national statistical system. The SSSU is the “specially authorised central executive body in the area of statistics”. Subordinated to the headquarters are regional state statistical bodies and three “functional state statistics bodies” which pursue the orders of the SSSU but have their own budgets.

The territorial structure of the SSSU comprises the headquarters, 28 regional offices and 545 district offices. The primary role of regional statistical offices is to oversee the collection of (survey) data by the district offices within their territories, to validate it, and then to supply it in aggregated form to the Kiev regional office (the Main Department of Regional Statistics - SSSU’s computing centre - which then aggregates it, and sends it both to SSSU’s headquarters and back to the other regional offices). The regional and local bodies are subordinated to the Central Office of the SSSU.

The three “functional state statistics bodies” are:

- i. the National Academy of Statistics, Accounting and Audit. The Academy is the basic institution of higher education for training and retraining of employees of the SSSU, although it has a wider remit as a state university offering Bachelor and Masters degree courses in aspects of economics (including applied statistics), accounting and taxation, finance, banking and insurance; and management. The Academy provides post-graduate and doctoral studies and is also a leading research centre.
- ii. the Scientific and Research Institute for Statistical Research. The State Enterprise is a functional body of state statistics that implements the following tasks:
 - fundamental research and applied developments in the area of economic and social statistics;
 - development of modern statistical methodology and mathematical tools based on scientific research in line with international standards, recommendations and the current system for national accounts;
 - applied research and development, including cross-cutting issues oriented towards modern methodology and technology to collect, process, store, aggregate and disseminate statistical information;
 - training of scientific staff in the area of state statistics (postgraduate study).
- iii. the State Enterprise “Information-Analytical Agency (DerzhAnalitInform)”. The State Enterprise is a functional body of state statistics. The main tasks of the DerzhAnalitInform are as follows:
 - ensure wide dissemination of statistical information compiled by the state statistics bodies;
 - implement analytical research and prepare analytical documents on the basis of statistical data;
 - print newspapers, magazines, books, booklets and other products on the basis of statistical information;
 - provide statistical, analytical, methodological, and reference information as ordered by clients.

The assessment team recommends that the SSSU needs to work with other stakeholders to modernise the organisation of its statistical production:

35. The SSSU needs the support of the Parliament and Government of Ukraine to review the role and responsibilities (including administrative operation) of territorial bodies, with a view to making substantial efficiency gains, which should be re-invested in SSSU's technological infrastructure, including e-reporting, and strengthening the analytical capacity in the SSSU. The SSSU should be allowed to retain such savings (or income earned by providing services) for re-investment.
36. Continue the plans to integrate the computing centre into SSSU's headquarters as its new data collection and processing division. The SSSU should keep in mind, while integrating the computing centre into the SSSU, the objectives of such integration: to increase the feedback between the data collectors and the central level, to support further methodology development, to help avoiding duplication of tasks - all to increase the coherence and efficiency of the system. Moreover, the available resources should be managed taking into account the long-term trend of the increasing proportion of data transmitted electronically and/or obtained from administrative sources.

All countries' national statistical systems require a degree of coordination. In Ukraine the NSS is not defined in the current version of the Law "On State Statistics" or in the revision that is currently in approval procedures. According to the SSSU no initiative has been taken in this regard because after the reform of government services in 2012, the status of the SSSU was downgraded to a service with no right to initiate. Hence, no formal coordination mechanism exists and no advisory bodies are established for the purpose of coordination.

Despite the Law "On State Statistics" not mentioning the NSS, there is some commonly shared understanding of what the NSS consists of. According to the SSSU, the State Statistics Service of Ukraine and its territorial bodies (regional and district offices), the National Bank and the Ministry of Finance are part of the NSS. The National Bank of Ukraine has a specific statistics and reporting department in its structure; in the Ministry of Finance statistics is a part of the GFS Division of the State Budget Department and the Department of Debt Policy. The Customs office, as part of the Fiscal Service, seems to have some kind of status of being part of the NSS because the Customs also publish some statistics, which is mentioned in the Law "On State Statistics". However, these statistics on external trade in goods are not considered official statistics due to their limited coverage.

The assessment team recommends the following steps to strengthen the coordination of the NSS and in particular the SSSU's coordination role:

37. The National Bank should not duplicate the publication of the SSSU data on its website but rather provide a link to the SSSU website and databases on its own website.
38. The Ministry of Finance is encouraged to consider merging all its statistical tasks (government finance statistics and government debt) into a specific department. Furthermore, the Ministry of Finance is encouraged to replace the publication of government finance statistics by a link to the relevant SSSU databases on the SSSU website.
39. The National Bank and the Ministry of Finance are encouraged to promote the ESCoP in the respective statistics departments and to implement its principles with a specific focus on the principles of professional independence, statistical confidentiality, quality, impartiality and objectivity.

Furthermore, the assessment team recommends the following steps to enhance cooperation with other providers of data and on international level:

40. The agreements (MoUs) with the holder of administrative data sources should include a chapter on quality commitment in the future.
41. The SSSU needs to be provided with proper resources from the government to participate in international meetings and conferences.
42. The provisions of the revised Law “On State Statistics” in terms of coordination of international cooperation should be implemented once the law is adopted, and relevant coordination mechanisms should be established.
43. An overall / all-inclusive plan for the implementation of the Association Agreement in terms of the application of European standards in statistics as included in the Eurostat Statistical Requirement Compendium should be developed.

In national accounts Ukraine closely aligns with European and international standards and progress is observed since the last adapted global assessment in 2011/12. The assessment team’s recommendations to further align with European standards are as follows:

44. Continue the implementation of 2008 SNA/2010 ESA with respect to the new guidelines on the sub-sector for financial corporations and financial instruments.
45. Cooperate more closely with GFS compilers in the Ministry of Finance to ensure coherence between national accounts and GFS. In this respect, flag together with GFS compilers statistical needs in the upcoming revision of the chart of accounts of the budgetary central government, i.e. to facilitate the compilation of COFOG based statistics.
46. Include GFS compilers into the existing cooperation on macroeconomic statistics in Ukraine between national accounts and balance of payment statisticians.
47. Update the inventory documentation on sources and methods and make it available on the SSSU website.

Government Finance Statistics (GFS) are in principle fully harmonised with other macroeconomic statistics such as national accounts through the recent revisions of the methodological international guidelines – GFSM 2014 and 2008 SNA. This should in principle ensure coherence between GFS and national accounts, but this is currently not fully achieved. Ideally, GFS should enter into national accounts as an important input. The assessment team’s recommendations to strengthen GFS are as follows:

48. Coordinate methodological work in GFS with national accounts to ensure coherence between the two macroeconomic statistics.
49. The introduction of accrual accounting in the government in 2018 will bring GFS in line with the GFSM2001/2014. GFS will thereby be fully harmonised with 2008 SNA. GFS should then be used as input for national accounts. This requires close cooperation between national accounts and GFS compilers.
50. The revision of the government’s Chart of Accounts in the near future should yield a good opportunity to flag statistical needs to ensure better bridging between source data and statistics, e.g. to enable better identification of the functions of the outlays of government and thereby facilitate the compilation of COFOG based statistics. Moreover, the responsibility for the compilation of COFOG statistics should be allocated to GFS compilers.
51. GFS should be part of the ambitions expressed by national accountants to compile and disseminate statistics in line with the ESA transmission programme – Annex B of 2010 ESA since some tables are “ESA GFS” tables.

52. All production of official statistics in the MoF should be placed in one statistical unit, i.e. the compilation of debt statistics currently in the Debt Policy Department should be moved to this unit. This unit should be professionally independent and comply with the ESCoP in the same way as other producers of official statistics.

Despite External Trade Statistics (ETS) in Ukraine having made significant progress in improving data quality over the last years, the Department for Trade Statistics indicated several issues for further improvements bringing ETS closer to international and European standards. The assessment team's recommendations to strengthen the ETS are as follows:

53. Conduct a mirror exercise with another country to further check the quality of the data building on the progress made in the production of ETS in the recent years subject to the availability of funding and resources.
54. Seek international funding based on well-reasoned project descriptions explaining user needs, proposed activities and expected outcomes in order to overcome resource constraints.

Balance of payment statistics (BOP) in Ukraine are compiled and disseminated by the National Bank of Ukraine (NBU).

BOP statistics in Ukraine are compiled covering all accounts, i.e. current account, capital account and financial account (including foreign direct investments) on a monthly, quarterly and annual basis. Statistics on international investment positions and remittances are compiled and published on a quarterly and annual basis. In addition to national publications, NBU reports SDDS indicators for the external sector.

BOP statistics in Ukraine are considered to be highly compliant with BPM6, and the introduction was well coordinated with the changeover to 2008 SNA for national accounts including a joint SSSU/National Bank presentation for users on these changes.

The assessment team's recommendations to strengthen the BOP statistics are as follows:

55. Give high priority to FISIM calculations for export and import (not implemented yet) as this also affects national accounts.
56. Include BOP statistics in the release calendar of the SSSU (as recommended in the previous global assessment).
57. Seek the support of the National Bank in order to improve the quality of tourism statistics, since the current survey data seem to be outdated.

The SSSU produces a suite of statistics about prices. The Ukrainian Consumer Price Index (CPI) is in line with good practice and European and international standards and recommendations. The sample of goods and services is kept up-to-date, weights are updated annually and calculation methods and classifications used are in line with international recommendations. The CPI is part of the IMF's SDDS.

Expenditure for owner occupied dwellings is partially covered by including expenditure on maintenance and repair of dwellings. An estimate of the rental value of owner occupied dwellings is not included but is planned to be calculated.

Understanding of the CPI and trust in the credibility of CPI statistics by the public and the media are crucial and should be fostered as much as possible. The existing and published background material (printed and on the SSSU website) should be made more user-friendly. All available means should intensively be used for that purpose, e.g. workshops and press-conferences for journalists.

The assessment team's recommendations to strengthen Ukrainian price statistics are as follows:

58. The Price Statistics Department should proceed with further developments of the price statistics methodology such as the implementation of explicit quality adjustments. The SSSU should be provided with the required financial means to obtain hand-held computers and the respective software for price collectors as this would provide efficiency gains in data collection, processing and validation (see also recommendation 10f).
59. Seek possibilities to join another group of countries for the continuation in the programme of international comparison (e.g. the Eurostat-OECD group), as Ukraine has been participating in the World Bank International Comparison Program (ICP) as part of the group of CIS countries but the development in recent years makes it necessary for Ukraine to join another group.

The quality of the SSSU's Business Register – the Register of Statistical Units (RSU) - suffers from limited access to data on individual entrepreneurs from the tax authorities. This deficiency for individual entrepreneurs to report to the SSSU is a problem, for which solutions should be sought in the short run in order to better cover information on individual entrepreneurs.

Considerable progress has been made in terms of reducing the number of administrative tasks carried out by the SSSU and in handing them over to the relevant Ministries. The SSSU should continue its efforts in this regard as it is not in line with the ESCoP that the SSSU provides administrative information to other government bodies.

The assessment team's recommendations to develop the business register are as follows:

60. The Law “On State Statistics” needs to be revised to include stronger provisions on the right of the SSSU to access other administrative data sources existing in the country on the level of individual data. As a consequence, laws of the authorities governing such administrative data sources should be aligned with the Law “On State Statistics” (see recommendation 5).
61. The complete release of the SSSU of any kind of administrative tasks such as the provision of information on enterprises from the business register is a matter of priority for the reputation of the SSSU but also for freeing scarce resources in the SSSU to be allocated to statistical tasks.
62. The SSSU needs to be supported to identify additional resources in terms of human resources and training to obtain the necessary knowledge to work on enterprise groups and their coverage in the business register.

Structural business statistics is implemented according to European standards for an increasing number of its elements; this is true for the use of classifications, and increasingly the case for the reporting units and the indicators which are produced. The coverage of all kinds of enterprises is increasing as information from individual entrepreneurs is obtained from administrative data sources and increasingly included into SBS data but further work is needed; this applies especially for those sectors of the economy in which individual entrepreneurs play an important role. Work shall continue on improving the methodology and on enhancing the list of structural indicators in accordance with EU standards.

The use of financial reports from the enterprises as a supplementary source of information for control purposes, for determining the activity of enterprises and for the compilation of structural statistics indicators should be continued.

The SSSU has improved its linkage of SBS questionnaires with information from the accounts of enterprises and should continue its efforts to increase the use of accounting data for SBS purposes.

The assessment team's recommendation to strengthen the SBS is as follows:

63. The SSSU should continue the full implementation of the SBS regulation by extending the scope and coverage of indicators, the continuous inclusion of data on individual entrepreneurs into the SBS data, and further work on improving the quality and consistency of the data.

The SSSU's short-term statistics increasingly comply with European standards in terms of classifications, scope of indicators, and timeliness. The index on turnover in industry is not yet available in the breakdown by domestic and non-domestic markets.

Construction statistics also increasingly comply with European standards in terms of classifications used and scope of indicators but seasonal adjustment still needs to be introduced.

Trade statistics comply to a good extent with European standards but seasonal adjustments need to be introduced and the quality of the data could be improved through a better coverage of individual entrepreneurs.

Service statistics comply to a certain extent with European standards in so far as some data are available while coverage and methodology for data compilation need to be improved.

For producer price statistics, the compilation of producer price indices separately for industrial products to be sold on domestic and non-domestic markets should be introduced.

The assessment team's recommendations to strengthen the short-term statistics are as follows:

64. Continue the process towards an integrated system of short-term statistics in accordance with the indicators as requested by the EU regulation. This concerns e.g. the production of the index of turnover in industry and the index of producer prices for the domestic and non-domestic markets, as well as introducing the new methodology for the calculation of the retail trade turnover taking into account the activity of individual entrepreneurs based on data from the fiscal service.
65. The SSSU should extend the application of seasonal adjustments to certain indicators in industry statistics and to start applying seasonal adjustments in construction and trade statistics. Using producer price indices for construction materials for the calculation of the construction price index could improve its quality.

Statistics about the production of manufactured goods are based on the PRODCOM survey, which is broadly in line with the EU standards for the classification itself and for the indicator of the *volume* of production, but not all the data for the indicator of the *value* of production are yet produced. The assessment team's recommendation to strengthen the implementation of PRODCOM is as follows:

66. The SSSU should update the survey list in accordance with PRODCOM-2016 and implement an improved data collection to obtain more complete information on the value of production.

A national population register does not currently exist in Ukraine. However, there are discussions in the Government about the creation of a national population register. The assessment team considers that:

67. In the event that a national population register be developed, the Government should ensure that the SSSU is involved in discussions on the set-up and has access to register data for statistical purposes.

The assessment team discussed SSSU's demographic statistics with producers and users. Since no population census was carried out in the 2010 round, the base on which the population is calculated is very old (the 2001 census). This problem is particularly serious considering the important changes in the size, structure and distribution of the population that have taken place in the country, particularly in the Eastern regions, in the last few years.

There is an undercount of changes of residence, since many citizens do not declare their change of residence. Moreover, a new law on the registration of the place of residence entered into force in April 2016, but the transition to the new system seems to be quite problematic. With the new system, the registrations of change of residence have to be done in local community administrations, instead of rayon offices under responsibility of the migration service as it was the case before. However, many of these new centres were not ready, particularly in large cities. Data should be transmitted electronically, but the necessary software was not developed, and internet coverage and skilled personnel are not always available. A transition period of two months was planned, but more time may be needed to set up the new system and produce reliable statistics.

The assessment team's recommendation to strengthen demographic statistics is as follows:

68. The SSSU is encouraged to support the implementation of the new law on the registration of the place of residence in force from April 2016 (competence transferred from Migration Service to local community administrations and city centres) in order to reduce the time necessary for the transition to the new system.

There are general plans to conduct a population census in 2020 taking advantage as much as possible of the preparatory work that was made for the census of the 2010 round. No specific concepts or tentative timetable for the next census exist. There are ideas to use paper questionnaires and tablets for field operations, and possibly develop an internet response option. There is no budget for the preparatory work for the 2020 census at the SSSU.

The assessment team's recommendations in relation to the population census are:

69. Start technical preparations for the next population census, taking into account the new CES recommendations for the 2020 census round.
70. Prepare a tentative timetable of the activities needed to prepare and conduct the 2020 census with an estimate of the relative costs and engage with the Government about the allocation of appropriate resources stressing the need to conduct the preparatory activities well in advance of the census.

The SSSU's labour market statistics have improved since 2011. The assessment team endorses SSSU's plans to develop them further, and recommends that the SSSU should:

71. Review LFS standards and guidelines, consistent with the changes agreed at the (most recent) International Conference of Labour Statisticians.
72. Adopt Eurostat definitions of indicators derived from the LFS.
73. Ensure that the 2017 Structural Earnings Survey is completely consistent with European definitions, by using a wider range of administrative data.
74. Explore and publish further information about the quality of earnings statistics, based on work to reconcile SES and other relevant data sources.

The household living conditions survey (HLCS) undertaken by the SSSU does not fully follow the European survey of income and living conditions (EU-SILC).

The SSSU is planning to use a twinning project and to seek EU funding to strengthen the alignment of its living condition statistics with the EU-SILC. It has explored the implications for

the current HLCS questionnaire, but concluded that the additional questions would lengthen the current questionnaire by 30%. Instead, it is considered introducing a new survey to meet the needs of EU-SILC, as well as implementing other European surveys covering household budgets, population health survey (EHIS) and ICT. As part of this expansion of its survey operations, the SSSU told the assessment team that it will seek to make greater use of CAPI; it currently lacks resources to buy computers for interviewers. The assessment team endorses SSSU's plans and recommends that the SSSU should:

75. Implement plans to revise SSSU's household surveys to enable the production of living conditions indicators that are fully consistent with European standards.
76. Explore relevant European member states' experience of implementing SILC, including the calculation of weights appropriate for longitudinal panel surveys.

The current organisation in the field of education statistics as conducted by the SSSU and the Ministry of Education and Science of Ukraine does not seem optimal, and a centralisation of data collection on education statistics could be envisaged to ensure common statistical principles with regard to data collection, processing and analysis. It seems preferable to transfer all responsibilities for education statistics to the Ministry of Education and Science.

The assessment team's recommendations to strengthen education statistics are as follows:

77. Develop methodologies on statistics of vocational training and lifelong learning, jointly with the Ministry of Education and Science of Ukraine, to fulfil EU requirements on education statistics.
78. Take steps to centralise the data collection on education statistics in the Ministry of Education and Science to ensure the application of common statistical principles with regard to data collection, processing and analysis.
79. Add (currently missing) indicators from the UIS questionnaires to the survey forms and administrative reporting of the Ministry of Education and Science.

Health statistics are produced by the SSSU, the Ministry of Health, the Ministry of Justice, and other ministries. The main issue is the plan to use administrative data from various sources to produce statistics on occupational injuries, replacing the current questionnaire. This should result in reduced costs for the SSSU and reduced burdens on respondents.

The assessment team's recommendation to strengthen health statistics is as follows:

80. Continue to implement planned developments, including the use of administrative data on occupational injuries to replace the survey on "Report on Occupational Injuries". This change would reduce burdens on respondents and reduce costs for the SSSU.

The SSSU's farm register – known as Register AGRO (the register of agriculture producers) - contains information on the statistical units of agriculture, hunting, forestry and fishery and is the basis for conducting statistical surveys in agriculture. Households, meeting the criteria of the concept of agricultural holding, determined by the European Regulations for conducting structural surveys in agriculture, are not included.

Registration of other units in the Register AGRO (except for the local councils) is done according to established criteria.

The Register AGRO is used for identification, demographic and reference indicators and statistics necessary for the organisation of statistical surveys (the area of agricultural land, including arable land, the number of employees and the number of livestock).

The SSSU plans to improve the procedure for updating the Register AGRO and to change the frequency of updating it from twice to once a year (1 November).

The assessment team's recommendation is to:

81. Change the content of the Register AGRO to be based on individual units and seek to supplement it with households that meet the criteria of the concept of agricultural holding (using data from the agriculture census).

Agricultural statistics are broadly in line with European standards; European methodologies and guidelines are used. Agricultural price statistics, agriculture economic accounts, crop and animal production statistics are prepared and published. Agricultural statistics take into account the production of agricultural products in two categories of producers: agricultural enterprises (legal entities), which produce 55% of agricultural production, and households (45%). Methodologies, meta-descriptions and quality reports for users of statistics are published on the SSSU website.

The assessment team recommends in particular that the SSSU should:

82. Improve the production of balance sheets of the main agricultural products, refine data sources and enlarge the list of products.
83. Improve the tools for surveying volume and value of sales of agricultural products.

No agricultural census and no farm structure surveys have been carried out in Ukraine. Such a census was envisaged to take place in 2014; however, due to lack of funding it was cancelled.

The assessment team recommends that:

84. The SSSU needs to be supported by the government and the Parliament to receive the necessary funding to implement an agricultural census.

Transport statistics largely follow EU standards. However, some indicators are not compiled. The assessment team recommends that the SSSU should:

85. Continue to implement planned improvements to transport statistics, and seek technical assistance drawing on the experience from EU States, e.g. through the use of TAIEX.

In the field of tourism statistics, data are produced and published in line with EU standards using both survey data and administrative data but further efforts are required to produce missing indicators and satellite accounts.

The assessment team recommends that the SSSU should:

86. Conduct a sample survey of international tourists and visitors in Ukraine and their expenditure (planned for 2014 and 2015 but postponed for lack of funding), necessary to produce satellite accounts on tourism.
87. Prepare the methodology to compile the auxiliary account of tourism (this may require technical support).
88. Interview household members about travelling outside Ukraine within the framework of the regular household survey.
89. Identify the source of information provided by the State Border Service about the purpose of international visits – tourism, business, etc. – and consider the implications for SSSU's tourism and BOP statistics.

Ukraine seems to largely follow international and European recommendations in the production of energy statistics and additional steps are planned for 2016 to further improve energy statistics. However, statistics on energy prices are not compiled and the assessment team recommends that:

90. Further development of energy statistics should be oriented towards the compilation of statistics on energy prices.
91. The SSSU should seek the resources required to enable it to meet the statistical requirements associated with Ukraine's membership of the European Energy Community.

In environmental statistics, an increasing amount of data is produced and published in line with EU standards, including data needed for the development of environment accounts. New data sources, including administrative data, are identified and used albeit not yet through an institutionalised agreement.

The assessment team recommends that the SSSU should:

92. Address the major challenges for the compilation of environmental/ environmental-economic statistics, i.e. the lack of human resources and the availability of the administrative data required to compile the statistics.
93. Seek possibilities for staff members to participate in training courses with European experts to improve knowledge and methodological awareness about environment statistics (see recommendation 41).

In the field of R&D statistics, the SSSU collects and publishes data on the scope of research and development, expenditure, sources of financing and number of employed people in science, as well as data on patents.

The assessment team recommends that the SSSU should:

94. Introduce surveys with a reduced list of indicators in accordance with European requirements, starting from 2016.
95. Take necessary measures to produce statistics on government budget appropriations or outlays on research and development (GBAORD) in compliance with EU standards.

In the field of ICT statistics, the SSSU collects and publishes data on the usage of ICT by enterprises and households.

The assessment team recommends that the SSSU should:

96. Continue to implement the planned developments in ICT statistics, including the work on the transition from exhaustive to sample surveys.

Chapter 1: Principle 1 - Professional independence

The professional independence of the State Statistics Service of Ukraine has been substantially eroded since the previous assessment.

- The 2014 Law “On Lustration of Power” required that those officials working at the highest levels in state institutions could not continue to work in the state (public) sector. The previous Chair, and two Deputy Chairs, of the SSSU resigned.
- The Law “On Central Executive Authorities” applies to the SSSU. The law requires that the activities of such authorities be coordinated by the responsible Ministry; in the case of the SSSU the Ministry of Economic Development and Trade (MED) undertakes this role. The SSSU is no longer able to issue regulatory legal acts of its own volition. If the SSSU wishes to issue such documents, including, for example, guidance on survey completion, it would have to seek approval from the MED which would, in turn, seek approval from the Ministry of Justice (the latter Ministry having the role of authorising all regulatory documents).
- As a consequence of the MED’s coordinating role, candidates for the position of Chair and Deputy Chairs of the SSSU should be presented to the Cabinet of Ministers by the MED; candidates for the position of heads of Department are presented by the Chair of the SSSU for approval by the MED, and heads of territorial bodies are presented by the Chair of the SSSU for approval by both the MED and heads of regional state administrations.

The assessment team understands that proposals to change the Law “On State Statistics” intended primarily to strengthen the professional independence of the SSSU, have been approved by the Cabinet of Ministers and presented to Parliament. The assessment team has considered the draft proposals, and considers that they would represent a significant improvement on the status quo. For example, the proposed changes would establish that the SSSU was responsible for statistical policy, would introduce transparent procedures for the appointment and dismissal of the Chair, and would establish a new Statistical Council. The assessment team strongly supports these draft proposals, and encourages work to explore best practice in relation to statistical councils in order to inform proposals for roles, responsibilities, membership and working arrangements.

A Generic (‘model’) law on official statistics was formally endorsed by the Conference of European Statisticians (CES) in April 2016. The assessment team considers – notwithstanding the current proposed changes to the statistical law being discussed in Parliament – that steps should be taken to profoundly revise statistical legislation in Ukraine, in line with the generic law.

ESCoP indicator 1.1: The independence of the National Statistical Institutes and Eurostat from political and other external interference in developing, producing and disseminating statistics is specified in law and assured for other statistical authorities.

According to the Article 5 of the Law “On State Statistics”, state statistical activity is conducted by the state statistical authorities on the basis of professional independence and autonomy. Interference of any government authorities and local governments, other legal entities, civil associations, officials and other persons with state statistical activity, particularly concerning the content of statistical information, the selection of sources, statistical methodology, forms and periods of collection, and the dissemination of statistical information is prohibited.

However, according to Article 16 of the Law “On Central Executive Authorities”, activities of central executive authorities, including the State Statistics Service, are guided and coordinated by the Cabinet of Ministers of Ukraine through the relevant ministers – in the case of state statistics, the Ministry of Economic Development and Trade. In addition, Article 23 of the Law

“On Central Executive Authorities” determines that the central executive authority (the State Statistics Service) is only authorised to issue organisational and administrative decrees, but not regulatory legal acts.

ESCoP indicator 1.2: The heads of the National Statistical Institutes and of Eurostat and, where appropriate, the heads of other statistical authorities have sufficiently high hierarchical standing to ensure senior level access to policy authorities and administrative public bodies. They are of the highest professional calibre.

The assessment team was told that the Chair of the State Statistics Service is a civil servant (level 1), in accordance with Part III, Article 19 of the Law “On Central Executive Authorities”. According to the Article 3 of the Law “On Civil Service”, the Civil Service is based on principles such as professionalism, competence, initiative, honesty and commitment.

Government Finance Statistics (GFS) in Ukraine are compiled by the Government Finance Statistics Division in the Directorate for Budget and Macroeconomic Indicators Analysis of the Ministry of Finance of Ukraine. The Directorate is part of the State Budget Department. Executives along with all the staff of the Ministry are civil servants according to the Law “On Civil Service”, such appointments to the civil service being made on a competitive basis.

The National Bank of Ukraine (NBU) is the central bank of Ukraine, a special central body of the state administration, whose legal status, objectives, functions, powers and principles for organisation are determined by the Constitution of Ukraine, the Law "On the National Bank of Ukraine" and other laws of Ukraine (Article 2 of Law “On the National Bank of Ukraine”). The National Bank of Ukraine is headed by the Governor.

The NBU's Statistics and Reporting Department is a structural unit of the central office of the National Bank of Ukraine. The Department is headed by a Director appointed and dismissed by the Governor of the National Bank of Ukraine in line with the Legislation of Ukraine. Appointment to the position of director is carried out on a competitive basis.

ESCoP indicator 1.3: The heads of the National Statistical Institutes and of Eurostat and, where appropriate, the heads of other statistical authorities have responsibility for ensuring that statistics are developed, produced and disseminated in an independent manner.

Legislative acts of Ukraine do not prescribe the responsibility of the Chair of the SSSU for the collection, production and dissemination of statistics.

Guarantees that state statistical activity is conducted with professional independence and autonomy are provided by Article 5 of the Law “On State Statistics”. Interference of any government authorities and local governments, other legal entities, civil associations, officials and other persons into the state statistical activity, particularly concerning the content of statistical information, selection of the sources of its obtaining, statistical methodology, forms and periods of collection and dissemination of data of statistical surveys, etc. is prohibited.

However, as described under indicator 1.1, the effect of the Law “On Central Executive Authorities” is restricting the independence of the Chair of the SSSU in developing, producing and disseminating statistics.

The assessment team was told that GFS compilation is done in accordance with the principles of independence of data collection, processing, and its dissemination, despite the fact that there are no legislative acts that prescribe the responsibility for that.

According to the Law “On the National Bank of Ukraine”, the NBU is an economically independent body accountable to the President of Ukraine and the Ukrainian Parliament (Verkhovna Rada) within their Constitutional powers (Articles 4, 51 of this Law).

Any interference of the state authorities, other state agencies or their officials, any legal entities or individuals in the exercise of functions and powers of the NBU, NBU Council, NBU Board or NBU employees shall be prohibited, except for within the limits stipulated by the Constitution of Ukraine and the Law “On the National Bank of Ukraine” (Article 53 of this Law).

ESCOP indicator 1.4: The heads of the National Statistical Institutes and of Eurostat and, where appropriate, the heads of other statistical authorities have the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases.

Guarantees that state statistical activity is conducted with professional independence and autonomy are provided by Article 5 of the Law “On State Statistics”. Interference of any government authorities and local governments, other legal entities, civil associations, officials and other persons into the state statistical activity, particularly concerning the content of statistical information, the selection of sources, statistical methodology, forms and periods of collection and dissemination of data of statistical surveys, etc. is prohibited.

However, as described under indicator 1.1, the effect of the Law “On Central Executive Authorities” is that the Chair of the SSSU does not have sole responsibility for deciding on statistical methods, standards and procedures.

The head of the GFS division in the MoF decides on statistical methods, standards and procedures for the compilation of GFS as well as on the content of statistical releases following the functional responsibilities approved by regulatory act of the Ministry of Finance.

In line with the Law “On National Bank of Ukraine”, the National Bank of Ukraine establishes the rules for conducting banking transactions, accounting and reporting; defines the reporting forms and the procedure for their preparation and submission to the National Bank of Ukraine; organises and provides methodological support to the system of monetary, crediting, balance of payments (BOP) statistics and information on banking supervision; and guarantees the storage, protection, use and disclosure of information being the banking secrecy.

To ensure the dissemination of monetary and balance of payments statistics as well as banking activities, the National Bank of Ukraine posts its current banking information on monetary, crediting, financial and balance of payments statistics on its website, and provides information to the public, in line with international agreements.

The NBU owns the consolidated information on banking activities, monetary and financial statistics, and determines (in line with the legislation of Ukraine) the mode of access to it. Official banking information may be used by other bodies in their publications only upon the authorisation of the NBU or by referring to the source of its official publication (Article 68 of the Law “On the National Bank of Ukraine”).

ESCOP indicator 1.5: The statistical work programmes are published and periodic reports describe progress made.

The preparation of the Strategy to develop state statistics (the five year development programme) and the annual work plan is made in line with the provisions agreed upon with the SSSU Commission on Improvements to Methodology and Reporting Documentation (Commission for

Methodology), on the basis of proposals obtained from the SSSU's structural units and territorial bodies.

The drafts of the Strategy and the annual work plan, according to the regulation of the Cabinet of Ministers of Ukraine, are submitted by the SSSU to the Ministry of Economic Development and Trade, other central authorities concerned and the Ministry of Justice for coordination together with the relevant draft order of the Cabinet of Ministers.

The drafts of the Strategy and the annual work plan are considered at the meetings of the Cabinet of Ministers of Ukraine and approved by the relevant orders.

Following the 2011 global assessment, the SSSU developed its 2013-2017 strategy; this was approved by the Cabinet of Ministers in March 2013. The annual work plan for 2016 was approved by the Cabinet of Ministers in March 2016.

The SSSU has published annual work plans, consistent with its multi-annual work programmes, since 2002. Formal monitoring, on a quarterly basis, is overseen by the Commission for Methodology. The SSSU has published Annual Reports since 2008.

ESCoP indicator 1.6: Statistical releases are clearly distinguished and issued separately from political/policy statements.

Article 12 of the Law “On State Statistics” stipulates that the main tasks of state statistical bodies include ensuring the reliability and objectivity of statistical information.

The policy (SSSU Order) on the dissemination of statistical information of state statistical bodies says that “statistical publications do not contain policy assessments and/or implemented state policy”.

The assessment team was told that relevant amendments to the recommendations on the design of publications by state statistical authorities have been developed and approved in an SSSU Order.

ESCoP indicator 1.7: The National Statistical Institute and Eurostat and, where appropriate, other statistical authorities, comment publicly on statistical issues, including criticisms and misuses of statistics as far as considered suitable.

Article 13 of the Law “On State Statistics” provides state statistical authorities with a right to comment on cases of misuse or incorrect interpretation of statistical information.

In addition, the policy (SSSU Order) on the dissemination of statistical information of state statistical bodies says that “To avoid the misuse of statistical data, state statistical bodies can implement actions aimed at upgrading the statistical literacy of users”.

ESCoP indicator 1.8: The appointment of the heads of the National Statistical Institutes and Eurostat and, where appropriate, of other statistical authorities, is based on professional competence only. The reasons on the basis of which the incumbency can be terminated are specified in the legal framework. These cannot include reasons compromising professional or scientific independence.

The head of the State Statistics Service is a civil servant, and procedures for his/her appointment/dismissal are common for heads of central executive authorities, established in the Law “On Central Executive Authorities”. Article 19 of the Law stipulates that the head of a central executive authority is appointed and dismissed by the Cabinet of Ministers based on proposals of the relevant Minister.

The period of appointment is unrestricted.

The grounds for dismissal of a head of the State Statistics Service (and other government employees) are provided in the Law "On the State Service" that took effect from May 2016: suspension of citizenship; change of citizenship; departure from Ukraine; conviction for corruption or other serious crimes; ill health; poor performance. Staff may also retire, or lose their posts because of the closure or reorganisation of the state organisation, or under the terms of the Law "On Lustration".

Recommendations

1. The SSSU needs the support of the Parliament and Government of Ukraine to rapidly adopt the suggested changes to the LSS to enhance professional independence, in advance of consideration of the Generic Law on Official Statistics.
2. The SSSU needs to explore and understand European best practice in the activities of statistical councils, in order to develop proposals for the role, responsibilities, membership – to include representatives of users from a range of sectors (including business, academia and civil society) - and working arrangements of the Statistical Council, consistent with the Generic Law on Official Statistics.
3. Based on the Generic Law on Official Statistics, as recommended by the Conference for European Statisticians, steps should be taken to profoundly revise the statistical law to be consistent with the Generic Law on Official Statistics. The law should define the National Statistical System. As part of the new law:
 - a. the composition of the National Statistical System – probably including the Ministry of Health, but not including the Customs Authority – should be defined;
 - b. the heads of statistics in Ukraine's Other National Authorities (ONAs) that produce official statistics – the Ministry of Finance and the National Bank, and (as recommended above) the Ministry of Health – should be recruited, appointed and operate in a manner consistent with the requirements of Principle 1 of the ESCoP on Professional Independence;
 - c. the term "official statistics" should be introduced throughout the law;
 - d. the coordination role of the SSSU should be defined;
 - e. the annual work plan should be extended to cover the NSS, by including:
 - i. the statistical activities of the Other National Authorities that produce official statistics;
 - ii. a list of the administrative data sources used;
 - iii. the work of other members of the NSS;
 - iv. any other data providers;
 - v. main development activities of official statistics;
 - f. all executive authorities in Ukraine should consult the SSSU about all proposed legislation that might impact on official statistics;
 - g. the SSSU should have the right to access and use administrative/register data for statistical purposes, free of charge;
 - h. the SSSU should be consulted by owners of administrative data systems and registers about proposed changes to such data and systems;
 - i. the Chair of the SSSU should be responsible for the general management of the SSSU, including its central and regional offices, in full conformity with statistical legislation, and shall independently decide on the structure, tasks and appointment of the staff;
 - j. deputy Chairs, Heads of Department, and heads of regional offices should be appointed by the Chair of the SSSU, alone;

- k. the Chair of the SSSU should be invited to meetings of the Cabinet of Ministers when statistical issues are discussed.

Chapter 2: Principle 2 - Mandate for data collection

The SSSU's mandate for data collection is specified in law, and implemented in the form of the annual work plan and an apparently effective system of data access agreements (relating to other organisations' administrative data sources). However, the statistical law is not widely perceived as taking precedence over other organisations' legal frameworks, so in practice considerable time is spent addressing these legal mismatches. The assessment team was told that proposed changes to the statistical law will enhance the SSSU's access to data.

The SSSU receives a mixture of individual level data (including from tax authorities - anonymised, for natural persons, to comply with Data Protection legislation) and aggregate information (typically from health organisations) from administrative sources.

ESCoP indicator 2.1: The mandate of the statistical authorities to collect information for the development, production and dissemination of European Statistics is specified in law.

Article 7 of the Law "On State Statistics" tasks state statistical bodies to coordinate "state and local authorities and other legal persons in the area of organisation of collecting and using administrative data". Article 16 clarifies that administrative data should be provided free of charge, at the request of state statistical bodies. The assessment team was told that the SSSU is proposing changes to article 7, to provide a stronger legal basis for data access - in practice, some other organisations' laws include contradictory provisions, and much time can be taken in resolving such contradictions. The assessment team was told that the SSSU had undertaken a review of duplications and overlaps relating to statistics and data in Ukrainian public law; the assessment team considers that it would be helpful to publish the results of this review.

At the time of the previous assessment, the SSSU had 22 data access agreements with state organisations. At the time of the January 2016 assessment this had increased to 49 agreements and by the April 2016 assessment this had increased to 53 agreements. The SSSU and providers of data have review procedures which seem to operate effectively: in 2014 some 22 agreements were reviewed and updated, and a further 9 were reviewed in 2015.

The assessment team was told that the SSSU has insufficient opportunity to influence the design and content of other organisations' administrative systems; in some cases the SSSU is not made aware of new laws that impact on the SSSU's statistical activity.

ESCoP indicator 2.2: The statistical authorities are allowed by law to use administrative data for statistical purposes.

Article 7 of the Law "On State Statistics" says that state statistical bodies may use "administrative data from the state authorities ... local authorities and other legal persons" and "data of banking, financial and customs statistics, balance of payment statistics, etc" in compiling statistical information.

ESCoP indicator 2.3: On the basis of a legal act, the statistical authorities may compel response to statistical surveys.

Article 16 of the Law "On State Statistics" allows state statistical bodies to encourage respondents to participate in surveys by paying monetary compensation for time spent keeping records and providing information. A list of the state sample surveys for which respondents are

paid monetary compensation, and the size of monetary compensation, is approved by the Cabinet of Ministers.

In accordance with article 18 of the Law “On State Statistics”, all surveys are compulsory. However, if respondents refuse to participate in household surveys (or refuse to provide full information), no sanctions are (in practice) applied. In order to minimise non-response the state statistics bodies take steps to encourage participation in surveys; as a result, response rates are high compared with those in similar surveys across the ESS.

Respondents who participate in the Household Living Conditions Survey (HLCS) receive quarterly payment that comprises 10% of the size of the subsistence minimum (133 UAH per household, in April 2016).

The Law “On Administrative Arrangements” sets out fines for the late supply of data, or the supply of poor quality data, to statistical authorities.

Recommendations

See recommendation 3 (e.ii and g). As part of the new law, the SSSU should:

4. Extend the annual work plan to cover the NSS, by including a list of the administrative data sources used.
5. Have the right to access and use administrative/register data for statistical purposes, free of charge, and be consulted about proposed changes to such data and systems.

Chapter 3: Principle 3 - Adequacy of resources

While the overall combined staff number of the SSSU and its territorial bodies seems to be rather high, this needs to be viewed in light of the still very much face-to-face focused interviewing process for statistical surveys and hence the need of statisticians to be close to the respondent units. Due to the enforced reduction of staff, the SSSU has already implemented a remarkable streamlining of its production processes and reduced the number of district offices as well as the overall number of staff allocated to the district offices. These efforts should be continued but certainly need to be accompanied by / or can only be implemented when face-to-face interviews are continuously and increasingly replaced by electronic reporting. The already envisaged and partly implemented business orientation of the SSSU may also contribute to a further streamlining and, hence, a better balancing of staff allocated to the SSSU and to its territorial bodies.

The qualifications of staff are adequate and provide the basis for the continuing production of good quality statistics despite the reduction in staff numbers, salaries and the uncertainty about the chairmanship of the SSSU. As hardly any internal training programme exists in the SSSU, the role of the National Academy on Statistics, Accounting and Auditing (NASAA) is crucial in providing training on basic and advanced statistical qualifications and on European standards to support the SSSU in applying these standards in their work.

The current salary levels are neither suitable to maintain the necessarily highly qualified staff in the SSSU nor to attract young highly qualified staff in the future. The overall financial resources are just sufficient to implement current activities with low paid staff but do not leave any room for manoeuvre for development activities and for future investments in infrastructure, repair of the building and the creation of a modern working environment. The level of resources is clearly not adjusted to the needs of a modern statistical office.

Recruitment procedures are competence based and this applies to the top positions of the SSSU as well, once the revision of the statistical law is approved.

ESCoP indicator 3.1: Staff, financial, and computing resources, adequate both in magnitude and in quality, are available to meet current statistical needs.

Human resources

Compared to the global assessment report of May 2012, the situation in terms of resources is as follows.

While in 2010, the total number of staff employed in statistics was 12,808, this number was reduced to 8,336 in December 2015, due to cuts in staff resources. Civil servants make up 80% of the staff; women constitute around 92% of the staff. Around 93% of the staff has higher education and 13 civil servants have a scientific degree. 2/3 of the staff have worked for more than 10 years in the statistical system and the age profile is relatively balanced throughout the age groups of “under 35”, “between 36-45” and “between 46-55”.

Of these 8,336 staff, 485 work in the Central Office (510 in 2010), 6,014 in the regional offices (7,433 in 2010) and 1,837 in the district offices (4,865 in 2010).

In 2015, the SSSU experienced a cut of staff of 20% but the reduction of staff was counterbalanced by employees leaving themselves, although their share was decreasing over the years (from more than 50% in 2013 to 43% in 2015). However, in 2015 roughly 1/3 of the reduction of staff was implemented through dismissal of staff. Staff numbers are very volatile for reasons of instability in the public administration in general and reduction in resources on an almost permanent basis. Due to very low salaries, staff with skills that are relevant in the job market are leaving; this relates mainly to IT specialists but statistical skills are also very much in demand by banks and ministries. Staff fluctuation is getting to critical levels and is only mitigated by the fact that the skills and qualification of the remaining staff are relatively high, as is the enthusiasm of those staying in the SSSU.

While there is some movement of individual staff members between the central and regional office, there is no flexibility in possible redistribution of posts between the central and regional levels. As the SSSU is an executive body it has no power/authority over the allocation of resources but has to follow the rules and standards for allocating staff to public administrations as defined by the government. If a reallocation between the headquarters and the regional offices is to take place, it needs approval by the Cabinet of Ministers.

The situation of staff and premises is hindered by the fact that the SSSU had to relocate its regional office from Donetsk and Luhansk to territories that are under the control of the government, including the arrangements for offices, equipment, IT networks and staff.

Overall the situation around human resources seems to be still manageable because of the high qualification and enthusiasm of the remaining staff but could break down at any moment if the instability around the SSSU continues to be present (the non-appointment of a Chairperson for more than a year) and if salaries stay at the same very low level.

A meeting with junior members of the SSSU staff confirmed the impression that the SSSU is struggling with many obstacles such as low salaries, limited financial resources (e.g. not all the staff members have access to internet and e-mail facilities), low public image and difficult working conditions. Some of the concerns could possibly be addressed by e.g. introducing more flexible working regimes as well as the promotion of more mobility throughout the SSSU, for both junior staff and experts and also for managers.

Recruitment

The staff recruitment procedures in statistics are harmonised with those that apply to the whole civil service in the country and consist of a competition covering a written part (focused on general issues such as knowledge of the constitution, law on civil service, statistical law) and a job interview. Between 2012 and 2014 there were problems in recruitment procedures due to slow checking of potential candidates for citizenship, criminal records, corruption cases etc; recently these checks are limited to leading positions only. The announcements for the posts contain descriptions of the required educational levels and work experience for specific posts. The usual competition procedures are managed by the recruitment commission headed by the Deputy Chairman of the SSSU and consisting of relevant representatives of the staff. Since 2015 very few recruitments if any have taken place because vacancies are kept in reserve for future staff reductions.

For the top management of the SSSU the procedure is as follows. After an open competition based on a competitive selection the Chairperson is appointed by the Cabinet of Ministers with a fixed term of office, renewable once. Deputy Chairpersons are appointed by the Cabinet of Ministers upon a proposal for the Chairperson. The heads of regional offices are nominated by the Chairperson after consultation of the relevant authorities (local government).

The recruitment procedure for the Chairperson will change, once the revised statistical law is adopted (see also chapter 1, indicator 1.8)

A vital part of the overall staff development policy is an annual staff performance assessment, which consists of a self-assessment and a written assessment by the superior. Highly performing staff are placed on the reserve list for potential managers and, in the event of vacancies, are considered for promotion to managerial positions. Once in three years an evaluation commission reviews staff performance at the central and regional level and makes recommendations about further career development for the staff.

For staff with high potential and who are included in the candidate pool for development and promotion, annual individual development plans are established, the implementation of which is supervised by their hierarchy. Another possibility for career development was a so-called practice period during which people could demonstrate their potential. This will change as of May 2016 when the new civil service law is expected to come into force.

Training

In terms of training opportunities the major part of the training courses is organised outside the SSSU and based on external financing. A considerable number of staff has the possibility to study at the National Academy of Statistics, Accounting and Auditing and at the National Academy of State Management. In particular the training programmes delivered by the State Academy of Statistics, Accounting and Auditing are the only guaranteed source for training in statistical skills and standards, apart from a very limited number of training courses provided by Eurostat for the countries of the European Neighbourhood Policy.

Some members of staff had access to language training courses organised by the state for civil servants or by donors (the World Bank) but this state financed programme was closed at the end of 2013, earlier than planned. Very few staff members have sufficient knowledge of English to be able to use it in a professional context.

As part of training opportunities, SSSU staff is sent to workshops and seminars organised and financed by other organisations.

Feedback on the training received is collected by means of a special questionnaire.

Annually, the SSSU compiles an inventory of all kinds of training received by each member of staff, such as courses to obtain higher education certificates in the subject area and seminars on applied statistics for civil servants. Also annually, the SSSU compiles a list of training needs related to individual posts to have a better understanding of the training required, but only a fraction of those needs can be satisfied due to the lack of adequate resources. The budget dedicated to the development and training of the staff in statistics is marginal and has decreased in the past years. Hence, on-the-job training aimed at enhancing the knowledge and skills in statistics implemented by the more experienced staff of the SSSU is now one of the very few possibilities to train staff.

Due to limited financial possibilities the SSSU will put all the training documents received during the ESTP-like courses organised by Eurostat on the intranet and also plans to create some e-learning courses, but again, this is subject to financing.

Financial resources

The budget of the SSSU between 2010 and 2015 has developed as illustrated below:

Directions of government funds usage	2010			2015		
	(UAH, thousands)	(euros, thousands) (rate - 10,57)	expenditure structure, %	(UAH, thousands)	(euros, thousands) (rate - 24,16)	expenditure structure, %
Expenditure, total:	448902,0	42469,4	100	488804,4	20232,0	100
<i>of which:</i>						
staff labour compensation	414926,8	39255,1	92,4	442632,0	18320,9	90,6
expenditure for IT	308,3	29,2	0,1	709,0	29,3	0,1
research developments in the sphere of statistics	1847,8	174,8	0,4	1055,4	43,7	0,2
payments to persons who participated in survey of their living conditions	3870,1	366,1	0,9	4476,1	185,3	0,9
provision of statistical survey forms to respondents	4253,3	402,4	0,9	2748,2	113,8	0,6
exchange of information through communication channels during the process of processing statistical information between regional and central levels	1200,0	113,5	0,3	2426,5	100,4	0,5
other operational expenditure (expendable materials for hardware, paper, office stationery, etc)	2150,5	203,5	0,5	5404,3	223,7	1,1
conduct of the preparation work to carry out census	5173,6	489,4	1,1			
energy resources	12990,5	1229,0	2,9	23766,7	983,7	4,9
satisfaction of accounts payable	2181,1	206,4	0,5	5586,2	231,2	1,1

With the end of the World Bank project, more than 95% of the funding is provided by the government, in accordance with the state budgetary code and in line with the rules governing this budget. This means in practice that 96% of the budget is spent on salaries leaving very little room for manoeuvre for expenditure related to investment into IT. As the World Bank project has allowed the SSSU to obtain a large number of PCs, now every employee has a relatively modern PC. However, not all the PCs are connected to the internet and intranet. While the situation is now satisfactory, PCs will become outdated in the foreseeable future and the replacement of outdated PCs will have to constitute a major part of the budget.

Some limited funding is received also from income on rents and paid services but the magnitude of this income is negligible.

The SSSU receives an allocation of the budget, not on the basis of the costs of the annual work plan (constituting a list of forms and publications only) but in accordance with the budgetary code of Ukraine. The budgetary code foresees cost categories such as staff salaries and their taxes/social contributions, expenditure for electricity, heating, water, etc., scientific tasks and others. These are cost categories of the first priority which must be financed, while other expenditure may be under-financed if the budget is not sufficient.

Cost accounting is not yet introduced in practice in the SSSU but in the current situation cost calculations are only used to decide on the reduction of surveys rather than providing arguments for a budget to implement the annual work plan.

Information Technology resources

- Organisation of IT

The IT Department of the SSSU is responsible for the operation and development of integrated IT systems of the state statistical agencies, as well as organising the annual inventories of computer hardware and software. It also provides support at the territorial level to local IT departments that are responsible for the operation of the infrastructure at their level. In January 2016, 9 of the 25 posts in the payroll for the central office IT department were vacant (36%) (see below “Human and financial resources”).

- IT policy

The IT Department of the SSSU is responsible for the implementation of statistical activities of common government policies in the field of IT, and to implement IT policies developed centrally at the territorial level.

- Hardware and software, degree of standardisation

With regard to IT hardware, the situation has significantly improved since the 2011 AGA, when only a minority of the staff (42% in 2011) had access to modern PCs. Based on funding from the World Bank project, modern computers were acquired and by 2015 all staff were equipped with modern PCs. However, as noted above, it was reported that many staff (especially at the junior level) still do not have access to e-mail and internet.

Concerning the software for data processing, the process of developing and implementing the Integrated System of Processing Statistical Data (ISPSD), which was already started at the time of the 2011 AGA, is continuing. The number of different software applications used for various surveys has decreased from 150 (at the beginning of the process) to 115 in early 2016. The process takes time because of the limited resources and because many of the old software applications were written in very old languages (like Clipper) which make the conversion to the

new system more difficult. According to the plans, in February 2016 the first surveys should be processed with the new system. For some time the new system will be used in parallel with the old one, to perform checks.

An emerging issue is the migration of the primary data of the old surveys. According to the plans, not all primary data would be migrated, but an evaluation would be conducted for each survey in order to decide whether or not to migrate the primary data. If primary data are not migrated, the old systems would need to be maintained to allow access to the primary data of the previous surveys in case of need. This approach was considered unsatisfactory by the international experts, as it could be difficult in the future to maintain the old systems, especially when they are based on old software or hardware solutions.

It was reported that the new ISPSD is not compliant with SDMX, which is currently the most common standard for data transmission. Some additional work (currently not planned) would be necessary to convert the system to be compliant with SDMX.

- *Human and financial resources*

Low salaries constitute a major problem as they are not competitive for young and highly skilled IT experts. Many of them work for a relatively short time at the SSSU, acquire experience, and then leave to take better paid jobs, especially in the banking or financial sectors. As a result, in January 2016, 9 of the 25 posts in the payroll for the central office IT department were vacant (36%). Moreover, there is no mechanism for a regular and sustained investment by the Government in the upgrading of the computer equipment. This will represent a major problem in a few years, when the PCs will become obsolete and will need upgrading or replacement (currently, about 40% of PCs are from 2007, and are becoming outdated).

- *IT network between the SSSU and the regional offices*

With regard to the corporate IT network, only 70 out of the 275 rayon offices (25%) are connected to the intranet. This is a major limitation especially in light of the long-term trend of increasing the proportion of data transmitted electronically and/or obtained from administrative sources.

Recommendations

The SSSU is encouraged to:

6. Seek the support of the Parliament and Government of Ukraine to ensure that adequate funding is provided to cover the implementation of the Association Agreement between the EU and Ukraine on the part of statistics. This implies an adequate budget to enable development activities in general (such as modern ways of data collection, use of big data, modern e-services) and in particular the development of new statistics as well as to attract and retain suitably qualified staff.
7. Seek access to expertise and funding, and take other opportunities, to provide English language training for staff, and deepen awareness and understanding of the ESCoP across the NSS. Such activities also need to be adequately funded by the government.
8. Pilot the use of flexible working arrangements in SSSU's headquarters in order to increase the attractiveness of the SSSU to young staff.
9. Advise (together with the NASAA) the Government of Ukraine on the most appropriate organisational arrangements to ensure that the Academy can continue to perform its role as a substantial provider of training to SSSU staff. This should include advising on the possibility of the Academy operating as a centre of excellence for training for staff in EECCA countries.

10. All stakeholders should speed up work to develop SSSU's technical infrastructure:
- give high priority to the development of a new unified SSSU web portal, providing a single point of access to statistical information at all geographical levels;
 - increase the use of e-reporting;
 - continue to migrate surveys to the integrated system, ensuring that primary data from old surveys are migrated too. Also, ensure that registers can be connected to the integrated system;
 - provide access to email and the internet for all staff;
 - move towards international standards for metadata reporting, e.g. SDMX;
 - support the use of tablets (or other mobile devices) to conduct interview-based surveys in order to improve the timeliness, quality and cost effectiveness of the sample surveys of the population (households). This will also require expanding the SSSU institutional capabilities on usage of the relevant software products.

Chapter 4: Principle 4 - Commitment to quality

The SSSU has developed national principles of activity based on the ESCoP. A system of self-assessment questionnaires for monitoring and evaluating statistical processes has been created and implemented. Recommendations for standard quality reports and meta-descriptions for users were developed and implemented. It is planned to improve the structure of meta-descriptions by introducing the standard European Single Integrated Metadata Structure (SIMS).

ESCoP indicator 4.1: Quality policy is defined and made available to the public. An organizational structure and tools are in place to deal with quality management.

The quality management system of the SSSU is mentioned in the following documents: the Law "On State Statistics", the Regulation on the State Statistics Service of Ukraine and the National Code of Practice.

A Quality Subdivision for monitoring, auditing and assessing statistical activities has been established within the Department for Planning and Coordination of Statistical Activity. The main functions of this subdivision are: development and implementation of a procedure for monitoring, auditing and assessment of quality of statistical activities, providing support for assessments of its performance, monitoring the performance of the SSSU together with the structural subdivisions of the SSSU and its regional subdivisions, preparation of and participation in audits of the statistical processes, and consolidation of their results.

The Mathematical Methods and Meta-information Support Unit has been established within the Department of Statistical Infrastructure. Its functions include the coordination of quality reports on statistical surveys as prepared by the SSSU structural subdivisions.

National principles for statistical activities of the SSSU have been developed and were approved by a decree of the SSSU in 2010. These principles are harmonised with the principles of the ESCoP, are based on the UN Fundamental Principles of Official Statistics, and meet the principles of the Declaration on Professional Ethics (adopted by the International Statistical Institute).

Recommendations on the preparation of standard quality reports for statistical surveys were developed and implemented; they are updated, if necessary, by the Mathematical Methods and Meta-information Support Unit of the Department of Statistical Infrastructure. Currently, modifications to the recommendations are being prepared. It is also planned to improve the structure of meta-descriptions by implementing the standard European Single Integrated Metadata Structure.

ESCoP indicator 4.2: Procedures are in place to plan and monitor the quality of the statistical production process.

In 2013 a system for preparing and publishing quality reports (as required by the Development Strategy of the State Official Statistics for the period up to 2017) was established and a standard quality report was introduced. Quality reports are based on the ESS standard for quality reports (“ESS Standard for Quality Reports (ESQR)”, 2009) and the ESS guidelines for quality reports (“ESS Handbook for Quality Reports (EHQR)”, 2009). It is planned to complete standard quality reports for all statistical surveys in 2017.

Annually, an inventory of all statistical surveys, which is a specific kind of internal audit of all surveys, is conducted to improve survey design and implementation as well as the quality of the output. Various self-assessment questionnaires are used while conducting the inventory.

An evaluation of the performance of the regional statistical offices is conducted by experts from the SSSU (based on a decree from 2014). Results of this evaluation are used to prepare action plans for eliminating discrepancies and improvements in areas in need of change and/or further development.

ESCoP indicator 4.3: Product quality is regularly monitored, assessed with regard to possible trade-offs, and reported according to the quality criteria for European Statistics.

Descriptions of methodology, quality reports and meta-descriptions for users have been prepared and published. It is planned to improve the structure of meta-descriptions by implementing the European Single Integrated Metadata Structure.

Starting from 2011, user satisfaction surveys have been organised (49 surveys in total).

ESCoP indicator 4.4: There is a regular and thorough review of the key statistical outputs using also external experts where appropriate.

Based on the recommendations on reference metadata for the ESS issued by the European Commission in 2009, the SSSU is planning to improve the existing meta-information. Based on the Single Integrated Metadata Structure, the development of a statistical metadata system is planned in line with the Generic Statistical Information Model (GSIM), at the required level of automation and with the necessary functionalities.

The system of self-assessment questionnaires includes: a national questionnaire based on DESAP (European self-assessment questionnaire for survey managers), a questionnaire for the improvement of statistical surveys (for heads of statistical surveys), a questionnaire on the organisation/management of processes (sub-processes) of statistical production (for an authorised person responsible for improvements of procedures) and a questionnaire assessing the performance of the regional offices in implementing statistical surveys.

The information from auditing and analysing the self-assessment questionnaires leads to improvement actions/changes in the annual work plan and to the reconsideration of priorities for further development of the NSS and its harmonisation with European standards.

In October 2014 an expert mission from the IMF Statistics Department took place concerning the development of real sector statistics. The methodologies for structural business statistics, agricultural statistics, industry construction and investment statistics were reviewed, as well as the implementation of the System of National Accounts (SNA) 2008 in the SSSU.

In 2015, IMF experts advised the SSSU on how to survey changes in prices (tariffs) for consumer goods (services) and on the methodology of the consumer price index.

Feedback from different users is used as input to action plans and the annual work plan and is published.

Recommendations

The SSSU is encouraged to:

11. Continue the preparation of Quality Reports (QRs) for all statistical surveys (producer-oriented) and for all outputs (user-oriented), in line with European standards and formats - seeking feedback from users on the QRs - and develop metadata harmonised with the ESS Handbook for Quality and SIMS.
12. Revise existing quality management documents and prepare a quality commitment statement (including a quality policy), and quality guidelines.
13. Prepare information for staff about quality commitment, policy and guidelines.
14. Provide training for staff on quality management.

Chapter 5: Principle 5 - Statistical confidentiality

The legal basis for the protection of statistical confidentiality is formulated in the Law “On State Statistics”. The law strictly prohibits the disclosure of confidential statistical information.

Article 21 of the law states that data collected for statistical purposes (from surveys or administrative sources) are classified as “confidential information” and can be used “exclusively for statistical purposes in aggregate depersonalised format”.

However, some legislative acts (such as on the prosecutor's office, Ukraine's security service, the army, investigative activities and a number of others) make provision for the possibility that these law-enforcement bodies can obtain confidential data from the statistics bodies. The conflict between Ukraine's Law on the state statistics and other legislative acts could result in the disclosure of confidential statistical data that is in contradiction with the statistical confidentiality principle.

The SSSU no longer has a special unit responsible for the protection of information.

The SSSU is waiting for the Ministry of Economic Development and Trade to approve a new policy on access to micro-data for scientific institutions for approved research purposes. Notwithstanding the fact that such a question of statistical policy should be for the SSSU to determine for itself, the assessment team considers that the (re)introduction of access to micro-data under controlled and closely monitored arrangements is to be welcomed.

ESCoP indicator 5.1: Statistical confidentiality is guaranteed in law.

Statistical confidentiality is addressed in the Law “On State Statistics”. Article 21 establishes that data collected (from surveys or administrative sources) for statistical purposes are classified as “confidential information”, and may be used “exclusively for statistical purposes in an aggregated depersonalised form”. Dissemination of statistical information may not allow the identification of confidential information about a particular respondent. The law specifies a range of organisations - state and local authorities, other legal persons, citizens’ associations, etc - which are not allowed access to information from respondents for the purposes of making decisions about individuals, although Courts can request and do receive information about individuals. Article 22 sets out some exemptions to the prohibition of dissemination (of otherwise confidential data) by state statistical bodies, such as cases where the respondent agrees that they may be identifiable in published statistical information. Article 22 also provides an exemption (to the prohibition of dissemination of otherwise confidential data by state statistical

bodies) relating to the state of the environment, and to wage arrears as the SSSU provides information about enterprises whose employees' wages are in arrears to the Ministry of Social Protection.

ESCoP indicator 5.2: Staff sign legal confidentiality commitments on appointment.

When staff is appointed to the SSSU, they are provided with job descriptions which set out their obligations not to disclose confidential information which they have access to in the course of performing their duties. They have to sign a commitment to protect the confidentiality of data that they have access to; in addition, they have to sign their acceptance of the Civil Service law, which addresses confidentiality.

The assessment team was told that compliance with the protection of statistical confidentiality is governed by one of the principles of the Code of Ethics of the state statistical authorities' staff approved by the SSSU decree in June 2013.

ESCoP indicator 5.3: Penalties are prescribed for any wilful breaches of statistical confidentiality.

Penalties are prescribed under both administrative and criminal law.

Article 172 of the Code of Ukraine on Administrative Offences (*Illegal use of information that came to knowledge to person due to official duty performance*) says that "Illegal disclosure or use in a different way by a person for their own benefit of information that came to his knowledge due to official duty is subject to a fine from one hundred to one hundred and fifty times the untaxed minimum income of citizens".

Article 182 (*Law infringements concerning privacy right*) of the Criminal Code of Ukraine says that: "Illegal collection, storage, use, elimination, dissemination of confidential information about a person, or illegal change of such information apart from cases envisaged by other articles of this Code are punished by a fine from five hundred to one thousand times the untaxed minimum income of citizens or correctional labour for a period of two years or arrest for a period of six months or restriction of liberty for a period of three years. The same actions repeated again or if they caused significant damage to the rights, freedoms and interests of a person protected by law, are punished by arrest from a period of three to six months or restriction of liberty for a period of three to five years or deprivation of freedom for the same period".

Article 364 (*Misuse of power or abuse of office*) of the Criminal Code of Ukraine says that "Misuse of power or abuse of office, i.e. intentional in order to obtain any improper advantage for himself or other natural or legal person, use of power or appropriation of corporate opportunities by officials contrary to the interests of the office if it caused significant damage to the rights, freedoms and interest of selected citizens protected by law or the state or public interests or legal persons' interests are punished by arrest for a period of six months or restriction of liberty for a period of three years or deprivation of liberty for the same period with the deprivation of right to occupy certain positions or be engaged in a certain activity for the period of three years with the fine from two hundred and fifty to seven hundred and fifty times the untaxed minimum income of citizens. The same action if it caused heavy consequences is punished by deprivation of liberty for a period from three to six years with the deprivation of right to occupy positions or be engaged in a certain activity for a period of three years with the fine from five hundred to one thousand time the untaxed minimum income of citizens".

ESCoP indicator 5.4: Guidelines and instructions are provided to staff on the protection of statistical confidentiality in the production and dissemination processes. The confidentiality policy is made known to the public.

The assessment team was told that the relevant guidelines and instructions are provided by the SSSU policy on interaction with respondents and administrative data providers (decree No. 504 of December 2015) and its Statistical Confidentiality Concept (decree No. 180 of July 2015).

The assessment team was also told that respondents are informed prior to or during data collection that the statistical authority commits fully to data protection and statistical confidentiality and that the data will only be used for statistical purposes and that personal data are never passed to others. Such information is included in reporting forms.

ESCoP indicator 5.5: Physical, technological and organisational provisions are in place to protect the security and integrity of statistical databases.

The assessment team was told that information security is ensured using physical, technical and organisational means, but that an IT security “policy” had not been approved as a document because there is no team within the SSSU which could implement such a policy. During the previous AGA, the SSSU structure did include a structural subdivision on information protection, but this is no longer the case.

State statistical authorities use an integrated corporate information (including statistical databases) and telecommunication system which is not accessible by external users.

User rights are registered and constantly updated so as to prevent any un-authorised access by staff.

In the SSSU IT Department and the IT divisions at territorial level there are schedules for system administrators to perform back-ups of file servers and database servers.

Survey forms for annual surveys are stored indefinitely; those for monthly surveys are stored for up to seven years.

ESCoP indicator 5.6: Strict protocols apply to external users accessing statistical microdata for research purposes.

Item 11 of the SSSU “policy of statistics dissemination by the state statistical authorities” states that “for research purposes, access can be provided to micro-data in compliance with the special requirements, procedures and rules without risk of breach of high-level security necessary for confidential information”. The assessment team had the impression that separate micro-data from a limited number of surveys had been made available to some scientific institutions until 2013, but that since then no micro-data had been released.

Some international organisations have told the SSSU that they would like to have access to micro-data (but that this has not been allowed).

The assessment team was informed that the SSSU has prepared a draft policy document on “Methodological provisions on statistical confidentiality in the state statistical authorities”. This includes information about the supply of micro-data to scientific institutions, for example, approval and data provision arrangements (such as onsite access), and the arrangements for monitoring such institutions’ use of the data and its subsequent destruction. At the time of the assessment (April 2016) the SSSU was waiting for the Ministry of Economic Development and Trade to approve this policy.

Recommendations

The SSSU is encouraged to:

15. Seek the support of the Parliament and Government of Ukraine to ensure that, as part of revising the statistical law:
 - a. SSSU's activity is only statistical in nature – with no administrative function on behalf of the Government – in particular that the SSSU should not be required to provide data about the wage arrears of individual enterprises to the Government;
 - b. The confidentiality of data about natural or legal persons should be completely protected, including when court decisions are issued regarding the provision of individual data;
 - c. Identifying information on original survey forms should be deleted as soon as the information is no longer needed for statistical purposes.
16. Re-establish the structural sub-division on information protection.

Chapter 6: Principle 6 - Impartiality and objectivity

All statistical surveys are carried out in accordance with the methodology approved by decrees of the SSSU. Methodological documents (short description of the methodology, quality reports, meta-descriptions) for users are developed and published on the website of the SSSU. All users have equal access to statistical information.

ESCoP indicator 6.1: Statistics are compiled on an objective basis determined by statistical considerations.

The impartiality and objectivity of statistics is assured by articles 5 and 12 of the Law “On State Statistics”:

Article 5: Main provisions on State statistical activity: State statistical activity is conducted by the State statistical authorities in accordance with the Law and with the tasks that are within their terms of reference on a basis of professional independence and autonomy.

Article 12: Key tasks of the State statistical authorities: Ensuring reliability and objectivity of statistics, ensuring accessibility, publicity and transparency of statistical information, its sources and methodology of compilation.

The strategy for the development of State statistics for the period up to 2017 was approved by the Cabinet of Ministers of Ukraine in March 2013. The list of indicators for monitoring the action plan to implement the strategy was approved by an SSSU order in August 2013. An annual report on the implementation of the action plan is available on the website. The annual work plan for 2017 contains information about administrative data sources used for statistical purposes in accordance with the signed agreements.

Statistical information produced in accordance with the annual work plan is published on the SSSU website and the websites of the regional offices and is hence provided to users for free, apart from specific cases envisaged by the legislation.

ESCoP indicator 6.2: Choices of sources and statistical methods as well as decisions about the dissemination of statistics are informed by statistical considerations.

All statistical surveys are conducted in accordance with the methodological documentation approved by the SSSU through decrees. Methodological principles and descriptions are available on the website and thus accessible to a wide range of users. Currently, there is sufficiently detailed meta-information available about all statistical surveys conducted by the SSSU, as well as about the Register of Statistical Units.

For each survey, information - about its aim, organisational forms and methods, legal justification, frequency, calendar of publications, reporting units, coverage, sources, basic criteria for aggregations, methodological documentation, classifications used, forms (questionnaires) for data collection and instructions for filling them in, basic rules for data control, statistical products resulting from the survey, including description of main indicators, persons responsible for this survey, and key users of the data - is available for internal purposes. It is used in particular during the annual inventory of surveys, for incorporating metadata into the integrated system of statistical data processing and for the development of meta-descriptions for external users. These meta-descriptions briefly describe the surveys and are placed on the SSSU website.

ESCoP indicator 6.3: Errors discovered in published statistics are corrected at the earliest possible date and publicised.

Errors detected in published statistics are corrected as quickly as possible. Users are informed about them and the changes in the data.

If there is a need to clarify information on the SSSU website or to correct errors, changes are made based on a report which includes updated information. This report is signed by the head of the survey and approved by a supervisor. For the convenience of users, changes are highlighted with another colour and a footnote indicates the timing and reasons for changes. On the website, an explanation is given close to the title of the publication about the changes made and the timing.

This procedure is described in the Order of work on information content on the SSSU website (paragraph 6.4.), which is approved by the SSSU Order No. 2 of January 2016 (available on the intranet site only).

However, there is no documented description about error detection for all process stages of statistical production.

ESCoP indicator 6.4: Information on the methods and procedures used is publicly available.

Metadata about statistical observations, methods, procedures for their production including the use of administrative data, quality of information, as well as statistical methodology is available to the public through the SSSU website in the form of methodologies, quality reports and meta-descriptions. They are updated annually.

ESCoP indicator 6.5: Statistical release dates and times are pre-announced.

Statistical information is published in accordance with the release calendar, containing the date and name of the publication.

Any deviation from the calendar is announced in advance together with an explanation of the delay and a new date for publication.

ESCoP indicator 6.6: Advance notice is given on major revisions or changes in methodologies.

Users are informed about major changes in the methodology of statistical surveys, information about such changes is posted on the SSSU website (section “Methodology and classifications”, subsection “Changes in the methodology and organisation of statistical surveys”).

Information about future revisions of statistical outputs or methodological changes is included in the annual work plan.

ESCoP indicator 6.7: All users have equal access to statistical releases at the same time. Any privileged pre-release access to any outside user is limited, controlled and publicised. In the event that leaks occur, pre-release arrangements are revised so as to ensure impartiality.

According to Article 14 of the Law “On State Statistics” the SSSU has the duty to publish statistical collections, bulletins, reviews and press releases as foreseen in the annual work plan, to conduct press conferences and to ensure equal access to statistical information for all legal entities and individuals.

The dissemination policy of the SSSU, as approved by an SSSU order of November 2015, requires that all users have equal and simultaneous access to statistical information.

The SSSU has carried out significant work to promote and highlight its statistical output in the media. In 2015, the SSSU prepared more than 5,000 reports on the socio-economic situation in Ukraine and the regions, which were made public via the media. SSSU experts communicate regularly with various users of statistical information (in 2015 about 4,000 contacts were registered in the regional offices). The SSSU also actively cooperates with international organisations, providing the latest official statistics on Ukraine for international statistical publications and databases.

ESCoP indicator 6.8: Statistical releases and statements made in press conferences are objective and non-partisan.

Statistical publications are prepared according to established procedures and standards, which include a uniform design and the SSSU’s logo.

Recommendations

The SSSU is encouraged to:

17. Prepare, publish and implement a revision policy.
18. Prepare, publish and implement an error-correction policy.
19. Publish information about changes to methodology in advance of the implementation of the new methods.
20. Strengthen the interaction with the media, including offering regular and frequent press conferences, to explain changes in methods as well as to explain new sets of statistics, publicising the ‘hotline’ (and meeting information requests quickly), and publishing straightforward guides explaining how key statistical indicators are derived.
21. Publish a calendar of forthcoming statistical releases, including not only the precise date but also the precise time of release.

Chapter 7: Principle 7 - Sound methodology

The SSSU pays attention to the harmonisation of methodology and reports that are associated with the collection and use of administrative data. The main instrument for this purpose is the Commission on Improving the Methodology and Reporting Documentation established by an

SSSU order in 2009. Information about the tasks and responsibilities of the Commission as well as its structure is available on the SSSU website.

Questions related to the development and improvement of survey methodology are discussed at the meetings of the Commission, which includes both SSSU staff and representatives of academic institutions. In 2014, 85 orders (in 2013: 75 orders) were adopted, approving statistical methodologies and tools. The Commission takes into account the assessment and proposals of users and survey respondents.

ESCoP indicator 7.1: The overall methodological framework used for European Statistics follows European and other international standards, guidelines, and good practices.

In 2014, the SSSU established the Department of Statistical Infrastructure, tasked to coordinate the development and use of structural metadata (national statistical classifications and handbooks) for statistical production. However, the SSSU does not have a structural subdivision for the centralised coordination of methodological work.

ESCoP indicator 7.2: Procedures are in place to ensure that standard concepts, definitions and classifications are consistently applied throughout the statistical authority.

All statistical surveys are conducted in accordance with methodological documentation approved by SSSU decrees, which is available on the SSSU website.

Users are informed about major changes in the methodology of statistical surveys. Information about changes in the methodological documents is posted on the SSSU website (section “Methodology and classifications”, subsection “Changes in the methodology and organisation of statistical surveys”).

National classifications are adopted by regulatory legal acts of the SSSU or other state authorities, depending on their vested powers. The implementation of national statistical classifications into statistical activity is performed in accordance with the SSSU’s regulatory legal acts.

ESCoP indicator 7.3: The business register and the frame for population surveys are regularly evaluated and adjusted if necessary in order to ensure high quality.

Information on enterprises in the administrative part of the Register of Statistical Units is updated daily based on data from the Unified State Register of Legal Entities and Individual Entrepreneurs. This process is governed by the Procedure of Information Exchange between the registers of the State Registration Service of Ukraine and the State Statistical Service of Ukraine, approved by the decree of the Ministry of Justice of Ukraine and the State Statistics Service of Ukraine No. 1772/5/492 of November 2012.

ESCoP indicator 7.4: Detailed concordance exists between national classifications systems and the corresponding European systems.

The implementation of the national statistical classifications into statistical activity is performed in accordance with the SSSU legislation. The establishment of the national system of statistical classifications is based on the European system of classifications. There are historical compliance matrices and related comments. Based on the compliance matrices of the European classifications, national compliance matrices are developed.

ESCoP indicator 7.5: Graduates in the relevant academic disciplines are recruited.

The improvement of the vocational education system is one of the main areas of the Development Strategy of State Statistics until 2017, approved by an order of the Cabinet of Ministers of Ukraine in March 2013. The action plan on the implementation of the strategy includes actions on the improvement of the training system for SSSU staff, including the development of relevant regulatory and methodological support, the introduction of individual forms for staff training, as well as the extended use of multimedia means of training.

The main task for the SSSU in relation to training is to establish a distance training system. Due to the lack of funding required to implement this task, in 2013 the SSSU prepared and sent to the Ministry of Economic Development and Trade a project proposal on the need for technical assistance to establish a Common Web-Portal of State statistical information, which could hold the distance training system. This proposal was approved, but has not been implemented yet.

ESCoP indicator 7.6: Statistical authorities implement a policy of continuous vocational training for their staff.

The Training Support Unit, one of whose functions is the organisation of staff training, operates as a structural subdivision of the Staff Department. The SSSU closely cooperates with the National Academy of Statistics, Accounting and Audit (a higher educational institution), which provides training both for staff from the SSSU and its regional offices (basic and advanced training). The lack of sufficient funding is the main obstacle to providing more training to the staff of the regional offices.

In order to develop staff skills and techniques, all available possibilities are used, mainly within international projects, including study visits to EU Member States to learn best practices, and workshops involving European experts. Through this assistance, staff at the central level has some opportunities to renew knowledge and skills and to become familiar with new methods of work. Recently, staff from the regional offices has also been involved in workshops conducted by European experts, participating through video conferences. In 2013, for instance, a total of 74 employees from the SSSU central office participated in the workshop on “Reports on quality, sampling, seasonal adjustment” (as part of a Twinning project), and in 2015, another 81 employees from regional offices participated in the workshop on “Income and material deprivation of households: concepts harmonized with the EU requirements”.

ESCoP indicator 7.7: Cooperation with the scientific community is organised to improve methodology, the effectiveness of the methods implemented and to promote better tools when feasible.

Between 2012 and 2015, experts from the Institute of Demography and Social Research provided methodological support to optimise the design of the Household Living Conditions Survey in order to improve the reliability of regional poverty estimates. They also helped to develop indicators of reliability, and supported the development of indicators of income and expenditure that took account of those at the top end of the distributions.

The SSSU has cooperated with other institutions on a range of surveys and topics: household surveys (economic activity), and business surveys (spending on staff retention, and informal employment). Other projects include the development of estimates of sub-regional employment and unemployment.

The SSSU also works with the Academy of Statistics, Accounting and Audit to implement new developments in methodology and IT.

Recommendations

22. The SSSU needs the support of the Parliament and Government of Ukraine to enable it to have full responsibility for developing and issuing technical/ methodology/ statistical policy documents in accordance with the principle of professional independence. After a profound revision of the Law “On State Statistics”, the SSSU should develop, approve and implement policies on the misuse/ misinterpretation of statistics, on the treatment of ad hoc revisions, and on confidentiality (including access to micro-data by researchers).

Chapter 8: Principle 8 - Appropriate Statistical Procedures

The SSSU pays attention to the harmonisation of the methodology and reports that are associated with the collection and use of administrative data. The legal basis for the harmonisation is the Order No. 33 on the coordination by bodies of the State statistical methodology and reporting documents that are related to the collection and use of administrative data, adopted by the SSSU in January 2009, registered in the Ministry of Justice in February 2009 (No. 163/16179) and amended by the Order No. 32 of the SSSU of February 2015.

ESCoP indicator 8.1: When European Statistics are based on administrative data, the definitions and concepts used for administrative purposes are a good approximation to those required for statistical purposes.

A procedure for the coordination of methodology and report documentation related to the collection and use of administrative data by the State statistical authorities is being prepared. A document has been prepared which governs the procedure of preparing and signing contracts on the interchange of information resources.

ESCoP indicator 8.2: In the case of statistical surveys, questionnaires are systematically tested prior to the data collection.

All survey questionnaires are tested internally by a special group prior to use. The special group consists of representatives of different departments, including methodologists, planners, IT staff and the relevant subject-matter experts. The questionnaires are also piloted with a number of respondents.

ESCoP indicator 8.3: Survey designs, sample selections and estimation methods are well based and regularly reviewed and revised as required.

The questions related to the development and improvement of statistical survey methodology are discussed at the meetings of the Commission on Improving the Methodology and Reporting Documentation, which includes both SSSU staff and representatives of academic institutions. In 2014, 85 orders were adopted, approving the statistical methodologies and tools (in 2013: 75 orders).

ESCoP indicator 8.4: Data collection, data entry, and coding are routinely monitored and revised as required.

The Department of Statistical Infrastructure has developed a package of documents to address the development and consistent use of structural metadata in the SSSU (national statistical classifications and handbooks) with due consideration of the processes of statistical production. This is at the stage of approval.

Since 2010, the SSSU has adopted the Generic Statistical Business Process Model (GSBPM) as a platform for the description of statistical production processes. A process approach has been introduced in the SSSU in the planning (Technological programme of the statistical surveys) and in the performance monitoring and assessment (the system of self-assessment questionnaires has been developed with due consideration of GSBPM). The SSSU has implemented three phases of GSBPM: collection, processing and analysis. These GSBPM phases are executed by regional statistical offices.

The system of self-assessment questionnaires includes: a national questionnaire developed and based on DESAP (European self-assessment questionnaires for heads of statistical survey), a questionnaire for the improvement of the statistical survey (for heads of the statistical survey), a questionnaire for the management of processes (sub-processes) of statistical production (for an authorised person responsible for the improvement of procedures and actions) and a questionnaire for the improvement of the State statistics territorial authorities' observations results.

Annually, an inventory of the statistical surveys, which is a particular kind of internal audit of the State statistical authorities, is conducted to improve the statistical surveys and the quality of statistical data. All self-assessment questionnaires are used while conducting the inventory.

ESCoP indicator 8.5: Appropriate editing and imputation methods are used and regularly reviewed, revised or updated as required.

The procedure of the statistical survey inventory has been implemented using detailed descriptions for internal users, and the results of this evaluation are used for the improvement of statistical processes.

The results of filling in, auditing and analysing the self-assessment questionnaires have a direct impact on the statistical production (in the context of the improvement and enhancement of efficiency), as well as on the determination of priorities for the further development of the NSS in terms of harmonising it with European standards.

ESCoP indicator 8.6: Revisions follow standard, well-established and transparent procedures.

The principles of activity of the SSSU are prepared and published on the SSSU website. The procedure of revision is described in the dissemination policy; however, no separate documents are available.

ESCoP indicator 8.7: Statistical authorities are involved in the design of administrative data in order to make administrative data more suitable for statistical purposes.

The division responsible for the communication with respondents and administrative data suppliers was created within the Department of Planning and Coordination of Statistical Activities. A list of contracts with administrative data suppliers is available on the SSSU website. The document "Understanding the interaction of independent business units in the preparation/ updating/ termination of agreements on mutual exchange of information resources" was developed and adopted in October 2013. Information on the use of administrative data obtained under the contracts for the interchange of information resources and for information to the public will be included into the plan of State Statistical Surveys starting from 2017.

ESCoP indicator 8.8: Agreements are made with owners of administrative data which set out their shared commitment to the use of these data for statistical purposes.

The establishment of a Division on Respondent and Administration Data Provider Relations within the Department for Planning and Coordination of Statistical Activity was a catalyst to improve the information flows with suppliers of administrative data (contracts, harmonisation of documentation). The number of such contracts with administrative data suppliers increased from 20 in 2011 to 49 in 2016. The document “Understanding the interaction of independent business units in agreement on mutual exchange of information resources” (preparation/ updating/ termination) was developed and adopted in October 2013.

The procedure for the preparation and signing of the contracts on interchange of information resources is documented.

ESCoP indicator 8.9: Statistical authorities co-operate with owners of administrative data in assuring data quality.

While agreeing on the methodologies and reports related to the collection and use of administrative data, increasing attention is being paid to statistical survey forms and the reduction of response burden. As an example, data on the average number of employees from administrative data sources (pension fund, financial statements) are now recorded in the Register of Statistical Units.

Recommendations

The SSSU is encouraged to:

23. Consider making changes the SSSU’s organisational structure to allocate clear responsibility for the main stages of the GSBPM.
24. Explore the possibility of streamlining the survey planning processes (‘inventorisation’), drawing on external expertise as appropriate and feasible.
25. Apply the logic of inventorisation to complex statistical activities that use administrative data sources.

Chapter 9: Principle 9 - Non-excessive burden on respondents

The SSSU has established partnerships with respondents and holds meetings and seminars on accounting and reporting consultations regarding the methodology of State statistical reporting. In 2014, regional statistical offices organised almost 6,000 meetings with respondents on the introduction of new/ amended existing statistical surveys and sent 236,800 letters to the respondents.

ESCoP indicator 9.1: The range and detail of European Statistics demands is limited to what is absolutely necessary.

A technique for evaluating burdens on respondents has been elaborated; since 2013 calculations have been performed annually based on the questionnaires provided by the respondents. A calculation of the burden on respondents is included in the annual report on the activity of the SSSU, and it is used during the inventory of the statistical surveys and during the testing of statistical tools. The average time for filling in the form by the respondent is used for calculating the respondents’ satisfaction index.

ESCoP indicator 9.2: The reporting burden is spread as widely as possible over survey populations.

The board for respondents located in the regional offices informs about the organisation and conduct of statistical surveys, changes in methodology and reporting, statistical documentation, common mistakes in completing reports, the list of reporting forms and the benefits of electronic data reporting.

ESCoP indicator 9.3: The information sought from businesses is, as far as possible, readily available from their accounts and electronic means are used where possible to facilitate its return.

The SSSU includes annually in the plan of the statistical surveys a target number for respondents submitting reports in electronic form. In 2014, the planned target was 25% of the total respondents. At the end of 2014, the actual level of respondents who submitted reports in electronic form was 39%. For 2015, the planned target is 40%.

Since 2010, a procedure for e-reporting to the State statistical authorities has been developed. It was approved by the SSSU decree No. 3 in January 2011, and registered in the Ministry of Justice of Ukraine No. 408/19146 in March 2011. This procedure governs common approaches by State statistical authorities for the collection and processing of state statistical and financial reporting submitted in electronic form. Information on the use of e-reporting is available on the SSSU website.

The Strategy of the State Statistics Development until 2017 provides an action for the “Implementation of e-reporting system of the State statistical authorities” for the implementation period 2013-2017.

The problem related to electronic reporting is a lack of financial resources and software free of charge which would enable respondents to submit data in electronic form. There is only some commercial software available, developed by private companies. The SSSU cooperates with the developers of e-reporting and accounting software.

ESCoP indicator 9.4: Administrative sources are used whenever possible to avoid duplicating requests for information.

According to Article 16 of the Law “On State Statistics”, the SSSU coordinates activities related to the use of administrative data for banking, finance and customs statistics, and the balance of payments. This work is implemented in line with the “Procedure for the methodology and reporting documentation for the collection and usage of administrative data to be coordinated by state statistical bodies” (SSSU decree No.33, January 2009). This procedure seeks to ensure that existing administrative data can be used as sampling frames for surveys, but also to avoid unnecessary duplication and reduce burdens on respondents.

If there is a new request for information, SSSU first examines the registers of the Central Executive Bodies; should the relevant information exist, the SSSU will seek to conclude agreement on data access with the relevant data owner. Only if information is not available, the SSSU develops a new survey or adds questions to an existing one.

ESCoP indicator 9.5: Data sharing within statistical authorities is generalised in order to avoid multiplication of surveys.

The work of the SSSU to increasingly use administrative sources and improve the information flow has led to a reduction in the number of surveys (from 120 in 2011 to 110 in 2015) and in the

number of forms (from 178 in 2011 to 154 in 2015). At the same time there has been an increase in the number of agreements on data access (from 20 in 2011 to 47 in 2015).

ESCoP indicator 9.6: Statistical authorities promote measures that enable the linking of data sources in order to reduce reporting burden.

In order to increase awareness among the respondents concerning the statistical surveys, the SSSU began to improve the presentation of relevant information on its website in 2014. In particular, for the effective organisation of statistical data collection using modern telecommunication tools, respondents were provided with a special opportunity to learn about statistical survey forms submitted to the State statistics in 2015, their frequency and timing. In 2014, the survey was conducted in 12 of the statistical surveys that experienced the most significant changes, in which 3,500 respondents took part. The response burden in 2014 compared to 2013 decreased by 9.8%.

The assessment team encourages the SSSU to continue its activity in relation to reducing burden on respondents.

Chapter 10: Principle 10 - Cost effectiveness

The use of resources is measured but to a limited extent, with room for development. Such measurement is hampered by the strictly regulated system of budget planning and spending in Ukraine with defined limits for certain cost categories (wages and salaries of staff, computers and office equipment). The long-term strategy of the SSSU includes a task to introduce cost accounting, but only the very first steps have been taken to implement it. The SSSU has time records for each employee, but these are recorded in time values and are not yet converted into financial indicators. For the use of administrative data sources, considerable efforts are deployed to use their potential but legal mismatches and the development of quality checks are the challenges the SSSU is facing in this respect.

At the same time, there are a number of normative documents that specify the cost of some services, goods and tariffs on the basis of which the calculation of resources needed for statistical activities (payments to households for their participation in the survey on living conditions, limits on business trip expenses, tariffs for energy products and communications services, value of the main and additional components of staff wages, limits on the cost of computer equipment, furniture, etc.) are made.

ESCoP indicator 10.1: Internal and independent external measures monitor the statistical authority's use of resources.

The presence of a very rigid budgetary discipline for the entire public administration of Ukraine, combined with a limitation – through a government decree – on expenditure (limits on staff resources, on the acquisition of PCs and furniture, bans on obtaining certain types of equipment) make it very difficult to establish a system of monitoring the use of resources by the SSSU. However, for some types of expenditure a monitoring system exists although this monitoring is based on categories of expenditure rather than on monitoring the use of resources for the production and dissemination of statistical products.

Nevertheless, the SSSU has introduced a time accounting system measuring the time worked by staff per month; however, no measurement in value terms has taken place yet. The SSSU also monitors the use of financial and other resources as regulated by the government of Ukraine. This concerns operational reporting on the number of employees, on the state-of-play of payments of social benefits, payment of electricity and other services, etc. The Court of Auditors

and the State financial inspection also control and check whether the SSSU is using its budgetary funds efficiently and in accordance with the established purpose.

The introduction of a cost accounting system is planned within the strategy for the development of State statistics for the period up to 2017 but very few activities have taken place to implement it.

ESCoP indicator 10.2: The productivity potential of information and communications technology is being optimised for data collection, processing and dissemination.

The IT department of the SSSU develops and maintains an integrated information-analytical system for all statistical bodies. Corresponding structures exist in the regional offices. The SSSU has established and follows a policy to use standard electronic tools for data processing and validation procedures.

Electronic reporting has increased significantly since 2010, when the e-reporting system became operational. In 2015, 42% of the respondents submitted the reports in electronic form. This proportion could increase to 50% in 2016 and 75% in 2017, in particular if it is possible to provide free-of-charge tools for electronic reporting. Currently, e-reporting is possible only using some commercial solutions available on the market.

Productivity is measured for the use of IT in the collection, processing and dissemination of statistical information, but there are no resources for future development. Hand-held computers are not used in surveys as there is no budget available for such investments.

Some measurement of the productivity potential takes place but not in a systematic way, and the lack of resources hinders a more regular and systematic way of identifying and implementing productivity improvements.

ESCoP indicator 10.3: Proactive efforts are made to improve the statistical potential of administrative data and to limit recourse to direct surveys.

The SSSU has signed a number of agreements with holders of administrative data sources. These agreements are updated and reviewed when necessary. The SSSU usually receives such requests for updates in the course of the year, includes them in the annual work plan for the next year and then updates them in accordance with the new needs.

Administrative data sources are checked before new surveys are launched.

While the number of agreements is impressive and hints at a rather strong position of the SSSU in relation to the owners of administrative data sources, further efforts are needed to develop the cooperation with the owners on the substance and content of the data as well as for harmonisation of concepts and definitions of data contained in the administrative data sources.

ESCoP indicator 10.4: Statistical authorities promote and implement standardized solutions that increase effectiveness and efficiency.

Some standardised solutions are applied in the SSSU, particularly for the processing and validation of data. Standardisation is also applied to questionnaires before launching new surveys but there is potential for further standardisation.

Recommendations

The SSSU is encouraged to:

26. Introduce a system of cost-accounting.

Chapter 11: Principle 11 - Relevance (User consultation)

Users' and respondents' opinions about statistics are assessed using special surveys. Proposals made by respondents and users are studied and taken into account and form the basis for amendments to the plan of statistical surveys.

The SSSU has developed a draft methodology to calculate an index of user satisfaction and a questionnaire for a general user satisfaction survey.

ESCoP indicator 11.1: Processes are in place to consult users, monitor the relevance and utility of existing statistics in meeting their needs, and consider their emerging needs and priorities.

The Law "On State Statistics" outlines the relations with users of statistics in Article 15 (Planning of the state statistical authorities activity) as follows: to identify targets and strategic directions of the state statistics development, to ensure continuous improvement of the quality of statistical information produced by the specially authorised central executive body in the area of statistics jointly with other government agencies, the National Bank of Ukraine and interested enterprises, institutions and organisations based on user demands and international experience.

The Commission on Improving the Methodology and Reporting Documentation takes into account the assessment and proposals of users of, and respondents to, statistical surveys.

Procedures for conducting satisfaction surveys for users of different statistical domains are implemented. Summarised results are published on the SSSU intranet and are used for planning.

In accordance with the Law "On Access to Public Information", reports on receiving information inquiries are prepared monthly by the SSSU and the territorial authorities of state statistics. A counter of such information requests is available on the SSSU website.

ESCoP indicator 11.2: Priority needs are being met and reflected in the work programme.

The proposals of all respondents and users are studied and taken into account as a basis for making amendments in the plan of statistical surveys.

The strategy of the state statistics development for the period up to 2017 was approved by the Cabinet of Ministers of Ukraine No. 145 in March 2013. Actions supporting the implementation of the strategy are developed every year and are included in the plan of statistical surveys. The list of indicators for monitoring the implementation of the action plan was approved by the SSSU order No. 265 in August 2013. The annual report on the performance of the State Statistics is placed on the website of the SSSU.

Statistical information is released according to the approved plan (calendar), which is publicly available and contains the date and/or time for its release. Users are informed about any deviation from the plan (calendar) in advance with relevant explanations about delays and the announcement of a new date and/or time for data release (Policy of statistical information dissemination for the State statistical bodies).

ESCoP indicator 11.3: User satisfaction is monitored on a regular basis and is systematically followed up.

Procedures for conducting a survey for users of different statistical areas are developed ("The procedure for conducting a survey for users of statistical information, and publication of their results"). Aggregated results are published on the SSSU website.

The SSSU developed a draft methodology for calculating the index of customer satisfaction and the appropriate questionnaire. Technical website problems hamper the conduct of online surveys.

In the period 2012-2015, the SSSU conducted 49 user satisfaction surveys about different statistical data: in 2012 - 2 (indicators on household living conditions, the publication “Ukraine Industry in 2007-2010”); in 2013 - 9 (the use of the Catalogue of official statistical publications, publications on agriculture statistics, national accounts, domestic trade, foreign trade, etc.); in 2014 - 19 (data on capital investment, investment of foreign economic activity, agriculture, transport and communication, innovation, wages, etc.), in 2015 - 19 (data on construction, trade, tourism and social protection of the population, the activity of public organisations and others).

After each survey a “Statement on the results of a user satisfaction survey” is prepared and results are published on the SSSU website.

Recommendations

The SSSU is encouraged to:

27. Implement a general online user satisfaction survey, and use it for developing approaches to better meet the needs of different categories of users.
28. Establish user groups for the main statistical domains, drawn from a wide range of user types, including business, academia, the media and international organisations.

Chapter 12: Principle 15 - Accessibility and clarity

The dissemination policy of the SSSU as approved by an SSSU order of November 2015, is developed in accordance with the Laws “On State Statistics”, “On Information”, “On Access to Public Information” and Regulation No. 481 of the SSSU, approved by the Resolution of the Cabinet of Ministers of Ukraine of September 2014.

The dissemination policy provides that the SSSU website and the websites of its regional offices are the main instruments for the first release of statistical data. For user convenience, printed publications are made available too.

In accordance with the Law “On Access to Public Information” users are provided with statistical data and metadata. All statistical publications are available on the website in PDF files, Excel or Word format.

The SSSU continues further harmonisation of macroeconomic and financial indicators with international standards, as well as work on the implementation of IMF SDDS+, together with the Ministry of Finance and the National Bank of Ukraine. The new standard covers a wide range of issues and aims to better reflect the functioning of the global financial system.

Procedures for the submission and consideration of a request for statistical information are available and posted on the website.

Quantitative information about users as well as media questions and answers are collected and documented. A procedure for conducting satisfaction surveys of individual user groups (by statistical areas) was prepared and the corresponding user satisfaction surveys were implemented. The results of these surveys are published on the SSSU website.

Monthly reports are compiled on access hits to the websites of the SSSU and its regional offices as well as on requests for information in accordance with the Law “On access to public information”. The SSSU website has a counter of the site’s visits. Most of the information is available in Ukrainian and English.

ESCoP indicator 15.1: Statistics and the corresponding metadata are presented, and archived, in a form that facilitates proper interpretation and meaningful comparisons.

In 2012, the SSSU started to develop a statistical metadata system. Currently, sufficiently detailed meta-information is collected about all statistical surveys as well as the Register of Statistical Units. Standard descriptions of statistical surveys are available including information such as aims and main characteristics (form, organisational forms and methods used), legal justification, periodicity, timing of the survey, reporting units, coverage, sources and basic criteria for the population, methodological documentation, classifications and references, forms for data collection and instructions for their compilation, basic rules for monitoring information, statistical output from the survey, including a description of the main indicators and categorisation of information, key users and the responsible person for the survey. In 2014, this standard description was significantly modified and approved by an SSSU order.

The information collected is used by the SSSU, in particular during the annual inventory of surveys and for developing metadata in the integrated statistical processing system (ISOSD), and by external users (as the information is made available on the SSSU website).

ESCoP indicator 15.2: Dissemination services use modern information and communication technology and, if appropriate, traditional hard copy.

In September 2014, the Department of Information and Communication was created. This department coordinates the dissemination of statistical information and communicates with users. The main task of this department is to actively engage with various groups of users including the media, providing access to public information, the finalisation of publications, and support for the website.

The SSSU's current website is based on an outdated platform using outdated technologies and a frame-based structure. It does not allow the hosting of online databases, user surveys, or other interactive services that a modern National Statistical Institute's website should offer. Moreover, many users reported that it is very difficult to find the required information on the website. Statistical information is mainly published in the form of tables, press releases and statistical publications in PDF, DOC, XLS and HTML formats. Within the framework of implementing the strategy for the development of State statistics for the period up to 2017, the SSSU website is expected to be updated in order to extend its functional capabilities and to improve the quality of the dissemination of information. However, funds for these purposes are not allocated although the update is considered to be a top priority.

Users are provided with statistical data and metadata in accordance with the Law "On Access to Public Information". Contact details are provided for users on the SSSU website.

A catalogue of official statistical publications is prepared and placed on the SSSU website.

An annual and monthly release calendar is placed on the SSSU website with the dates of release for all official statistics publications.

Statistical output is disseminated using tools and formats that facilitate re-dissemination by the media by means of, for example, press releases, ready-made tables, charts, and maps.

ESCoP indicator 15.3: Custom-designed analyses are provided when feasible and the public is informed.

According to the authority of the SSSU as described in article 13 of the Law "On State Statistics" the SSSU can provide services for a fee. Article 24 of this Law outlines the terms and conditions of access to statistical information. If statistical information is prepared and provided

on contractual basis, the terms and conditions of providing this information to a customer are governed by relevant contracts. The customer reimburses the expenses related to the implementation of the contract.

ESCoP indicators 15.4: Access to micro-data is allowed for research purposes and is subject to specific rules or protocols.

Methodological provisions for ensuring statistical confidentiality in the SSSU are prepared; access to micro-data for research purposes is included as a separate chapter in the document. The SSSU is planning to review these methodological guidelines.

ESCoP indicator 15.5: Metadata are documented according to standardised metadata systems.

The SSSU's work is focused on good quality statistics, the provision of metadata, and meeting user needs. Currently metadata are structured and disseminated in accordance with national standards, which are similar to European standards.

Meta-descriptions, methodology and quality reports about statistical outputs are available in dedicated sections of the SSSU website, and are updated annually.

All methodological documents are discussed at the meetings of the Commission on Improvement of Methodology and Reporting Documentation, which is composed of representatives of the SSSU and of scientific institutions. All statistical surveys are conducted in accordance with the methodological documentation, approved by SSSU decrees. In 2014, the Commission agreed upon 39 methodological guidelines developed for various statistical domains and on the methodologies and records of administrative data provided by other institutions.

In line with the recommendations of the European Commission of 2009 on Reference metadata for the ESS, the SSSU plans to improve the existing meta-description based on SIMS and to create a statistical metadata system in line with GSIM.

ESCoP indicator 15.6: Users are kept informed about the methodology of statistical processes including the use of administrative data.

Standard quality reports of statistical surveys are drawn up and updated if necessary, for example, when amending the methodology of the survey. The preparation of a standard quality report for statistical surveys was carried out in accordance with the approved time schedule foreseen for 2014-2017. Metadata on statistical indicators, methods, procedures for their production including the use of administrative data, quality of information, and on statistical methodology are available to the public. Important changes in the methodology are announced in advance on the official SSSU website (section "Methodology and classifications", subsection "Changes in the methodology and organisation of statistical surveys"). The SSSU website includes guidance on statistical surveys for users (methodologies and quality reports). Meta-descriptions of statistical surveys for external users are placed on the website and are updated annually.

ESCoP indicator 15.7: Users are kept informed about the quality of statistical outputs with respect to the quality criteria for European Statistics.

Standard quality reports on statistical surveys are discussed and considered at the meetings of the Commission on Improvement of Methodology and Reporting Documentation and are available on the website. The quality reports are harmonised with ESS standards and guidelines.

Recommendations

The SSSU is encouraged to:

29. Give high priority to the development of a new unified SSSU web portal, providing a single point of access to statistical information at all geographical levels (see recommendation 10).
30. Develop procedures for archiving statistics and metadata in the integrated system.
31. Describe the procedure for updating quality indicators and quality reports.
32. Inform the public about statistical processing services that are carried out regularly. Results of any statistical services that are provided without compensation, including their metadata, shall be made publicly available.
33. Finalise, publish and implement micro-data access protocols.
34. Provide staff with training about metadata.

Chapter 13: Organisational and structural aspects

13.1 Organisation of the National Statistical Institute

13.1.1 The NSI

The organisation of the SSSU is broadly similar to the position at the time of the previous assessment in 2011.

The SSSU is the “specially authorised central executive body in the area of statistics”. Subordinated to the headquarters are regional state statistical bodies and three “functional state statistics bodies”: the Scientific and Technical Complex of Statistical Research, the National Academy of Statistics, Accounting and Audit, and the State Enterprise “Information-Analytical Agency”. These bodies pursue the orders of the SSSU but have their own budgets.

The Presidential Decree No. 396/2011 states that the SSSU is headed by the Chairperson who is appointed and dismissed by the President of Ukraine as nominated by the Prime Minister of Ukraine. The proposal to the Prime Minister of Ukraine concerning the appointment and dismissal of the SSSU Chairperson is made by the Vice Prime Minister of Ukraine (see also Section 1.3). The SSSU Chairperson has deputies who are appointed and dismissed by the President of Ukraine as nominated by the Prime Minister of Ukraine.

The competencies of the SSSU Chairperson are defined in Presidential Decree No. 396/2011: s/he leads and represents the SSSU, submits proposals (concerning state policy in the field of statistics to the First Vice Prime Minister, for candidates for chairperson deputies and other positions, and for organisational measures as well as drafts for legislation), and generally leads the interactions and the exchange of information with the Ministry of Economic Development and Trade.

Article 15 of the Law “On State Statistics” envisages the preparation of the multi-annual programme and the Plan of statistical surveys (the annual work plan). Both the multi-annual programme and the annual work plan are agreed with the relevant bodies and approved by the Cabinet of Ministers of Ukraine.

The competences of the headquarters in the statistical production process are rather limited. Staff at the central level deal mainly with methodological issues and have little or no experience in the practice of data collection. The processing of the data which come from the regional offices is done in the Main Inter-regional Statistical Office in Kiev, where the data are further validated and edited and delivered for tabulation and analysis to the departments in the headquarters.

The organisational structure of the headquarters of the SSSU is shown in annex 1 of this report.

The main changes to the organisation of the SSSU since the previous assessment in 2011 are at the regional level – reflecting the introduction of the GSBPM, the territorial bodies now focus exclusively on the collection of statistical information (see 13.1.2).

13.1.2 Regional structure

The organisation of SSSU's regional offices has evolved considerably since the time of the previous assessment in 2011.

The main task of these offices is to contribute to the production and dissemination of statistical products as foreseen in the annual work plan, the Plan of statistical surveys, and to the realisation of state policy in the field of statistics.

The regional and local bodies are subordinated to the Central Office of the SSSU. In accordance with Presidential Decree No. 1199/2010 and Cabinet decision No. 563/2011, heads of the regional statistical offices are appointed by the SSSU Chairperson under approval of the Chair of the local government administration and the First Vice Prime Minister – the Minister of Economic Development and Trade of Ukraine. Article 14 of the Law “On State Statistics”, which specifies the responsibilities of the state statistical bodies, including the regional offices, emphasises the need to collect, process and disseminate data, not only at the national level, but also for individual regions of the country. The bodies of state statistics implement those tasks at the regional level and are not under the control of regional authorities. The Main Inter-regional Statistical Office in Kiev has a central function in the SSSU, as it brings together and processes the statistical information from the regional statistical offices.

Article 24 of the Law “On State Statistics” states that the regional statistical offices provide local government bodies with statistical information, free of charge. The regional statistical offices may provide statistical information also on a contractual basis; in such cases the costs of the preparation and provision of the information shall be reimbursed.

The territorial structure of the SSSU comprises the headquarters, the regional offices and district offices. As of 1 January 2016, due to the temporary occupation of the Autonomous Republic of Crimea and the city of Sevastapol, there are 25 regional offices (including the city of Kiev, but excluding the Republic of Crimea and the city of Sevastapol). The primary role of regional statistical offices is to oversee the collection of (survey) data by the district offices within their territories, to validate it, and then to supply it in aggregated form to the Kiev regional office (the Main Department of Regional Statistics – SSSU's computing centre), which then aggregates it, and sends it both to SSSU's headquarters and back to the other regional offices. The incorporation of the computing centre into SSSU's headquarters is discussed in section 13.1.3.

Each regional office is free-standing, with its own ‘back-office’ (personnel, finance, etc), structural division and its own website. Regional statistical offices collaborate with other regional state institutions and local authorities.

Reflecting the size of Kiev, the territorial structure is different from elsewhere in Ukraine. The Kiev city office (which has 470 staff) operates within the city, while the Kiev regional office (which has 328 staff) collects data from respondents in the remainder of the Kiev region (that is, outside the city). The two offices are co-located and work closely together, for example exchanging information about enterprises which have their main office in the city and branches elsewhere in the region.

Previously respondents used to visit the nearest statistical office – regional or district – and hand their survey forms in to each sectoral unit, but since 2012 a respondent-centric “one window” process has been operated, enabling respondents to hand their forms into a single office and have them initially checked. In general subsequent validation is undertaken once the data have been

computerised although some regional statistical offices perform data entry in the presence of the respondent, enabling any queries about the data to be discussed with the respondent and, if appropriate, corrected.

Regional offices cannot publish results for their own area before SSSU's headquarters has published (national and regional) aggregates on its own website. Previously district offices had published results for their own areas, but this role is now undertaken by the regional offices. Regional offices also publish more detailed information (about their own regions) than is available on the headquarters' website.

Regional offices are closely involved in the survey inventorisation process – see Chapter 8 – so that they are in a position to advice on issues such as respondent burden and whether particular Ministries might be better placed to collect certain data; and regional offices can talk to respondents and users about changes in surveys and in methods. All such proposals from regional offices are recorded systematically by staff in the headquarters and whether accepted or not, are discussed with the regional offices. Representatives of the two Kiev territorial offices who the assessment team talked to explained that contact with headquarters was straightforward and positive. They also explained that all regional offices had previously attended conferences to share experiences, but that such face-to-face conferences had been replaced by video-conferencing focused on the survey inventorisation process, to reduce costs.

Previously, each district had a statistical office, but in 2015 – in accordance with the laws of Ukraine and a decision of the Government – staff reductions of 20% were implemented. Half of the district statistical offices were closed at the behest of the Ministry for Economic Development and Trade following a series of mergers: there are now 275 district statistical offices (excluding the territories no longer controlled by the Ukrainian government).

Table: Number of staff in the head-quarters, regional and district levels, 2010-2015

	2010	2011	2012	2013	2014	2015
Headquarters staff	510	510	510	510	485	485
Regional office staff	7433	7554	6996	7033	6608	6014
District office staff	4865	4744	4702	4035	3327	1837
Total	12808	12808	12208	11578	10420	8336

The assessment team was told that there is a risk from the loss of contact with respondents as it is less straightforward for respondents to visit the local statistical office to provide their returns. On the other hand it was recognised that the increasing use of technology – 40% of data are provided in electronic form directly to the computing centre – had led to the work of the district offices steadily reducing in recent years. The SSSU considers that it is too early to offer a definitive view of the effect on data quality of the closure of some district offices.

The process orientation (according to the GSBPM) was introduced by the SSSU in 2015/2016 and has had a direct effect on the regional offices. The regional offices have organised themselves in 4 departments along the GSBPM – data collection (a one-stop window for all reporting units which want to deliver their filled in questionnaires directly to the office), data processing, data analysis and data dissemination - rather than along the previous structure, which reflected statistical domains. This led to the need for organisational restructuring and staff training (as staff in the data collection unit need to be able to receive, discuss and provide advice to respondents on all statistical surveys and questionnaires). The other consequence is that no staff member follows a survey process from the start to the end and this is a new challenge for most staff members. The same restructuring has taken place in the district offices. As this change was only introduced at the beginning of 2016, its effects are still to be evaluated.

Regional offices are allowed to provide a wide range of charged-for services, including:

- Conducting surveys that are not included in the Plan of statistical surveys,
- The development of methodological and organisational arrangements for new surveys,
- Preparing statistical reviews and information, on demand,
- Validating the links in a range of publications and other documents; editing and translation,
- Creating and maintaining statistical databases, and providing access (including on-line) to them,
- User training,
- Holding scientific (including international) conferences, seminars and meetings on statistical issues.

Recommendations

The SSSU is encouraged to:

35. Seek the support of the Parliament and Government of Ukraine to review the role and responsibilities (including administrative operation) of territorial bodies, with a view to making substantial efficiency gains, which should be re-invested in SSSU's technological infrastructure, including e-reporting, and strengthening the analytical capacity in the SSSU. The SSSU should be allowed to retain such savings (or income earned by providing services) for re-investment.

13.1.3 Central Computing Centre (CCC)

Structure of the CCC

The central computing centre is based in Kiev, annexed to the SSSU headquarters. It was called the Main Computing Centre (MCC) until 2000, when it employed about 300 people. After the reorganisation that took place in 2000, the centre was called the Main Inter-regional Statistical Office. Since 2012, it has been called the Main Office for Regional Statistics. At the time of the first AGA it employed some 25 programmers and 200 data processing experts. Currently, it employs 29 programmers and 226 experts in data processing.

The structure of the computing centre is presented in the following figure:

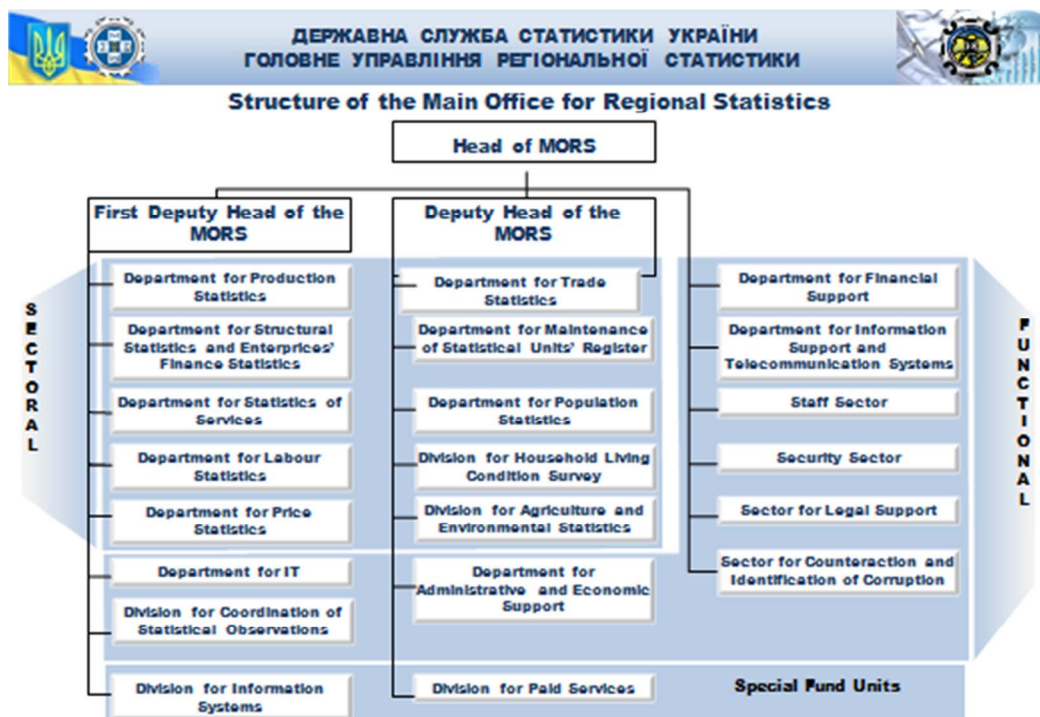


Figure: Structure of the Main Office for Regional Statistics

Tasks and the responsibilities of the CCC

The Main Inter-regional Statistical Office processes the data which come from the regional offices, conducts editing and validation and delivers data for tabulation and analysis to the departments in the Central Office. The office is also responsible for developing and maintaining specific IT solutions related to data collection and control.

The first AGA in 2012 strongly recommended a reorganisation and streamlining of the statistical production process, including the integration of the Main Inter-regional Statistical Office into the Central Office. The objective was to increase the feedback between the data collectors and the central level, support further methodological development, and help avoid the duplication of tasks and thus increasing the coherence and efficiency of the system.

The SSSU is currently implementing the recommendation about integrating the computing centre into the central office. From the logistical point of view, there seem to be no major difficulties since the computing centre is physically located near the central office. Problems, however, seem to derive from the fact that - due to successive budget reductions - the overall staff resources are decreasing, and salaries are very low and uncompetitive (see also section 9.2 on IT). Moreover, the computing centre is funded like other regional offices, and the salaries for its staff are even lower than the (already low) salaries of the Central Office staff. Nonetheless, the integration of the computing centre into the Central Office is expected to have significant benefits for the statistical production process through the adoption of the “integrated system” of data processing that will progressively replace the many separate processes used in the past for the different statistical surveys/activities.

Recommendations

The SSSU is encouraged to:

36. Continue the plans to integrate the computing centre into SSSU's headquarters as its new data collection and processing division. The SSSU should keep in mind, while integrating the computing centre into the SSSU, the objectives of such integration: to increase the feedback between the data collectors and the central level, to support further methodology development, to help avoiding duplication of tasks - all to increase the coherence and efficiency of the system. Moreover, the available resources should be managed taking into account the long-term trend of the increasing proportion of data transmitted electronically and/or obtained from administrative sources.

13.1.4 Other subordinated bodies

13.1.4.1 The National Academy of Statistics, Accounting and Audit (NASAA)

The Academy is the basic institution of higher education for the training and retraining of employees of the SSSU, although it has a wider remit as a state university offering Bachelor and Master degree courses in aspects of economics (including applied statistics), accounting and taxation, finance, banking and insurance; and management. The Academy provides post-graduate and doctoral studies and is also a leading research centre. Researchers at the Academy are also requested by the SSSU to carry out basic and applied research in statistics for the purpose of scientific and methodological support for the transition to European standards.

The Academy has 120 teachers and researchers, of whom about 80% have scientific degrees and academic titles and more than 25% are doctors and/or professors. In total the Academy has about 3,500 students. It works with a range of international partner universities, and has a license to train foreign students.

The Academy is subordinated to the SSSU (in terms of funding and administration) and to the Ministry of Education (which determines the standards of degree courses, for example). The choice of curriculum is for the Academy itself.

About 800 graduates of the Academy work in the SSSU (both headquarters and territorial offices); others work for Ministries, the State Fiscal Service, and in banks and audit companies. Training is provided free-of-charge to the SSSU headquarters staff, whilst those in territorial offices pay about a third of the cost. The Academy has a dispersed regional structure, enabling SSSU staff outside Kiev to train locally, this helps to reduce costs.

Other links between the Academy and the SSSU include the contribution made by some senior SSSU staff lecturing at the Academy, and the use by Academy students of SSSU's statistics. Also, the Commission on Methodology includes Academy representatives.

In effect the Academy's support for the SSSU – which enables it to keep its staff trained – is subsidised by the Academy. The assessment team was told that if – as is currently being discussed in Ukraine – the Academy is subordinated only to the Ministry of Education, then it would no longer be able to subsidise its support for the SSSU but would have to charge the SSSU in full for its services. The team was also told that there is no obvious alternative provider of appropriate training for the SSSU staff.

Recommendations

See recommendation 9: The SSSU and the NASAA should advise the Government of Ukraine on the most appropriate organisational arrangements to ensure that the Academy can continue to perform its role as a substantial provider of training to SSSU staff. This should include advising on the possibility of the Academy operating as a centre of excellence for training for staff in EECCA countries.

13.1.4.2 The State Enterprise “Scientific and Research Institute for Statistical Research”

The State Enterprise is a functional body of state statistics that implements the following tasks of the state statistics bodies:

- fundamental research and applied developments in the area of economic and social statistics;
- the development of modern statistical methodology and mathematical tools based on scientific research results in line with international statistical standards, recommendations and the current system for national accounts;
- applied research and developments, including cross-cutting issues oriented towards modern methodology and technology to collect, process, store, aggregate and disseminate statistical information;
- training of scientific staff in the area of state statistics (postgraduate study).

In 2015, the State Enterprise “Scientific and Research Institute for Statistical Research” (hereinafter, the SRI) carried out the following scientific activities:

- improvements to the system of statistical surveys in the area of science and innovations;
- improvements to foreign trade statistics;
- implementation of mathematical methods to produce GDP in line with the new international standard for the system of national accounts (SNA2008); and
- improvements to agriculture statistics methodology.

Based on the results of the scientific and research work in the areas mentioned above, the following results were introduced into practice of the state statistical activity in 2015:

- a technique to produce the total innovation index;
- methodological provisions on preparing a quality report for statistics on trade in services;
- a technique to produce quarterly output of goods and services by type of economic activity in line with KVED-2010; and
- a methodology for conducting a household sample survey collecting data on households with land plots for collective or individual gardening and vegetable gardening.

In 2015, the SRI had 7 structural units, 5 of which had a scientific orientation: the division for the methodology of statistical research of market business trends, the division for the methodology of science and innovation statistics, the division for the methodology for projecting statistical technologies, the division for the methodology of agriculture statistics, and the scientific and publication division.

The SRI has 24 members of staff including 6 scientists, of which one was a Doctor of Science and 5 were Candidates of Science.

However, taking into account the results of the financial and economic activity of the SRI, as well as government orientations to optimise the number of entities belonging to the executive bodies, the SSSU decided to liquidate the SRI (SSSU decree No. 200 of August 2015). At the same time, in order to ensure the continuation of scientific activities in the area of statistics, the Scientific and Research Centre was set up within the National Academy for Statistics, Accounting and Audit.

13.1.4.3 The State enterprise “Information-Analytical Agency”

The SSSU decree No 117 of 2000 set up the State Agency on Dissemination of Statistical Information. In 2003, the State Agency on Dissemination of Statistical Information was reorganized into the State Enterprise "Information and Analytical Agency" (DerzhAnalitInform) in line with decree No 132. In 2006, by decree No 627, the State enterprise "Information and Publishing Center" joined the Enterprise.

The main tasks of the DerzhAnalitInform are to:

- ensure the wide dissemination of statistical information compiled by the state statistics bodies;
- implement analytical research and prepare analytical documents on the basis of statistical data;
- publish newspapers, magazines, books, booklets and other products on the basis of statistical information; and
- provide statistical, analytical, methodological, and reference information based on the orders of clients.

Currently, the DerzhAnalitInform has 8 members of staff and 9 workers under a labour agreement.

The main services rendered by the enterprise are:

- Sales and the dissemination of products across Ukraine and its region to be provided to the Anti-monopoly Committee of Ukraine (UF "Backer and Mccenzy - CIS, Limited", Vasyl Kisil and Partners", partnership "CMS Kameron McKenna LLC", partnership "Sytnyk and Partners", partnership "Redcliff Partners" and other).
- Monthly and quarterly reports on output and exports/imports of products in Ukraine (partnership ArselorMittal Pakaging Ukraine, Association "Ukrtyutyun", Association of Ukrainian producers "Ice cream and frozen products", partnership "Centre UkrAgroConsult", Association "Ukravtoprom", public joint-stock partnership "Myroniv khliboproduct" and other).
- Summary reports on exports/imports of products in English for foreign partners (Zen Innovations AG, Switzerland; Zuivel NL; World Bureau of Metal Statistics, England).
- Indices of prices for industrial products (Todini Contstructioni generali S.P.A., partnership "Shlyakhove budivnytstvo "Altcom", public joint-stock society "San InBev Ukraina").
- The publication of abstracts and bulletins of the State Statistics Service (Statistical yearbook of Ukraine, Ukraine in figures, Population of Ukraine, etc.).

Chapter 14: Coordination

14.1 Coordination of the National Statistical System (NSS)

The NSS is not defined in the current version of the Law “On State Statistics” or in the revision that is currently in approval procedures. According to the SSSU, no initiative has been taken in this regard because after the reform of government services in 2012, the status of the SSSU was downgraded to a service with no right to initiate. Hence, no formal coordination mechanism exists and no advisory bodies are established for the purpose of coordination.

Despite the Law “On State Statistics” not mentioning the NSS, there is some commonly shared understanding of what the NSS consists of. According to the SSSU, the State Statistics Service of Ukraine and its territorial bodies (regional and district offices), the National Bank and the Ministry of Finance are part of the NSS. The National Bank of Ukraine has a specific statistics and reporting department in its structure; in the Ministry of Finance, statistics is a part of the GFS Division of the State Budget Department and the Department of Debt Policy. The Customs, as part of the Fiscal Service, seems to have some kind of status of being part of the NSS because

the Customs also publishes some statistics, which are mentioned in the Law “On State Statistics”. However, these statistics on external trade in goods are not considered official statistics due to their limited coverage.

At present the SSSU also considers its functional bodies to be part of the NSS. These are the Academy of Statistics (tasked to provide education to statisticians), the State Enterprise on “Information - Analytical Agency” (tasked to sell statistical publications) and the Research Institute (tasked to implement research in statistics).

Despite the fact that the NSS and its coordination are not mentioned specifically in the Law “On State Statistics”, some coordination of the NSS takes place through mechanisms such as the strategy for the development of statistics 2013-2017, the annual work plan, the Methodology Commission, common working groups, consultation on the ESCoP and the conclusions of agreements on data exchange. Tasks implemented by the National Bank and the Ministry of Finance are included in the strategy for the development of state statistics and also in the annual work plan. The Methodology Commission approves the reporting forms/questionnaires for all surveys. Activities concerning the production of official statistics are coordinated through contacts at expert and management levels. The SSSU promotes the ESCoP among the statisticians in the National Bank and the Ministry of Finance; this was confirmed during the meetings held by the assessment team as staff were aware of the ESCoP. Coordination also takes place in the context of the publication of data. Government Finance Statistics are published by the Ministry of Finance and the SSSU. The National Bank publishes the data it produces directly. It also publishes data on financial transactions by sub-sectors of the financial corporation sector, and a brief description of their preparation in accordance with the methodology of monetary and financial statistics. The National Bank also (re)publishes national accounts data as produced by the SSSU.

As for recruitment procedures, the statistical department of the National Bank is staffed by professional specialists, including the head of the statistics department. The Ministry of Finance has a Government Finance Statistics Division (5 people) as a part of the State Budget Department and recruitment takes place according to its internal procedures and the civil service law. For the customs, recruitment takes place internally and the head of the department is usually appointed on a rotation basis.

The management of the coordination of the NSS and cooperation with the holders of administrative data is the responsibility of a specific unit created within the SSSU after the AGA in 2011.

Cooperation with the holders of administrative data sources is regulated through Memoranda of Understanding (MoU), which are based on a standard MoU developed by the SSSU. If the body holding the administrative data source in question has its own standard MoU, both institutions negotiate and find an agreement. At the time of the previous AGA in 2011/2012, there were 22 data access agreements in place; this had increased to 53 in April 2016. The SSSU and the holders of administrative data have review procedures in place for the MoUs which seem to operate effectively. In 2014, some 22 MoUs were reviewed and updated, and a further 9 MoUs in 2015.

The MoUs usually cover data access and exchange but quality checks and an assurance mechanism are agreed before the MoU is concluded; they are not reviewed during the data provision. Both the SSSU and the holders of administrative data sources trust that data provided to the other side are of good quality. Some of the tasks implemented by the SSSU should be transferred to the holders of administrative data sources (such as the data on salary arrears and housing subsidies) as they concern the updates of registers and are implemented by the SSSU.

Recommendations

37. The National Bank should not duplicate the publication of the SSSU data on its website but rather provide a link to the SSSU website and databases on its own website.
38. The Ministry of Finance is encouraged to consider merging all its statistical tasks (government finance statistics and government debt) into a specific department. Furthermore, the Ministry of Finance is encouraged to replace the publication of government finance statistics by a link to the relevant SSSU databases on the SSSU website.
39. The National Bank and the Ministry of Finance are encouraged to promote the ESCoP in the respective statistics departments and to implement its principles with a specific focus on the principles of professional independence, statistical confidentiality, quality, impartiality and objectivity.
40. The agreements (MoUs) with the holder of administrative data sources should include a chapter on quality commitment in the future.

14.2. Coordination of international cooperation and donors

The SSSU is an active partner in international cooperation, using different assistance mechanisms and opportunities offered by the EU, the World Bank, the UN agencies and EFTA, and it participates in international conferences and seminars whenever such participation is made possible by sponsoring organisations. It is important to motivate staff and to organise training to improve members of staff's knowledge of English at least to the level of being able to read and understand the corresponding documents relevant to their work.

The orientation of the SSSU towards the application of European and international standards is clearly visible and a welcome development. However, the implementation of all European standards needs to be backed up by appropriate resources from the government. In the long term, the SSSU should develop the competence to realistically estimate the costs of approximating its statistical production to EU standards, in order to be able to make fully justified applications for the necessary budget allocations from the state budget.

The SSSU already provides statistical information to EU, UN, IMF, OECD, the World Bank, etc. and should continue to work on extending the scope of data sent and their international comparability. At present the transmission of data to international organisations is not always organised via the coordinator of the national statistical system the (SSSU), but the revised Law "On State Statistics" should provide the legal basis for this aspect of coordination.

The Law "On State Statistics" provides for international cooperation in Chapter VII, Article 25 on International Cooperation in the Area of Statistics and Article 26 on International Agreements. The revision of the Law "On State Statistics", as put forward by the SSSU and approved by the Government of Ukraine, will change Article 25 in such a way that international cooperation will aim to create and maintain a stable, efficient and professionally independent national statistical system which complies with European and international standards. The changes also regulate that data exchange with international organisations should be streamlined through the SSSU as the central body of the NSS.

International cooperation in the SSSU is organised through the department of international cooperation and its three units - on international cooperation, information for international cooperation, and the technical organisation of international cooperation. International cooperation takes place in the form of participation in meetings and working groups of Eurostat, UNSD, UNECE, the energy community and others, through the implementation of donor financed projects, and through the provision of data to international organisations.

Due to limitations established by the Government of Ukraine starting from 2014, participation in meetings of international organisations can only be ensured if financing is covered by the organising side. Participation in meetings is also restricted at times due to individuals' limited knowledge of English. Because of the limitations determined by the Government of Ukraine as from 2015, the SSSU did not receive any financing from the Government for its participation in international meetings.

In 2014, the SSSU completed the World Bank project “Development of the system of state statistics to monitor social and economic transformation” with substantial investments in the infrastructure of the SSSU and its territorial bodies, as well as developments in statistical methodology and the information system. A new project has been prepared but has not yet been approved. In 2015, the EU financed twinning project between the SSSU and Statistics Denmark was completed with technical assistance for the harmonisation of different indicators to meet EU requirements, the implementation of new concepts and methodological provisions, the development of methodologies, the introduction of Quality Reports in selected areas, the preparation of retrospective calculations, the definition of samples and the related methodologies, and the development of a communication strategy for the Ukrainian statistical bodies.

The SSSU actively participates in meetings and training courses organised by Eurostat, such as the High Level Seminars, the meetings of the Eastern Partnership panels and the ESTP-like training courses.

In 2015, an expert from the SSSU was an active participant in the expert group (consisting of experts from UNECE, Eurostat, EFTA, Armenia, Norway and Switzerland) created by the UNECE to develop a generic law on official statistics. This model law was adopted as a recommendation by the Conference of European Statisticians in April 2016 and will be presented to other countries and regions.

The SSSU also benefits from some ad hoc assistance through TAIEX, UN agencies and EFTA. However, at present there is no ongoing substantial project to support the development of official statistics in Ukraine.

Donor coordination is not organised in a systematic way and no donor committee as such exists. An attempt to organise donor coordination more systematically took place for the population and housing census 2010 round but it did not yield any results.

The SSSU systematically provides statistical data to international organisations and the EU and has signed a number of bilateral agreements with several countries, mainly for data and publication exchange. Until now, not all the questionnaires from international organisations have been channelled through the SSSU, and hence coordination of the provision of official statistics from Ukraine to the international organisations has proven to be difficult. If the revised version of the Law “On State Statistics” is approved, the coordination function will clearly be attributed to the SSSU.

The SSSU is committed to aligning its statistical production with EU standards and to apply European and international methodologies. To be able to do so it needs continuous assistance for a longer term period. In this context, the SSSU participates actively in the implementation of the action plan to fulfil its obligation as laid down in the EU-Ukraine Association Agreement and in the corresponding decree of the Cabinet of Ministers No. 847-r as of September 2014. Based on this decree, the SSSU has issued an Order (approved by the Cabinet of Ministers in June 2015), to implement certain European legislation in the area of statistics and to report on a quarterly basis on the implementation of the action plan. All plans are available on the SSSU website

while the reports about their implementation are available on the website of the Cabinet of Ministers.

Recommendations

41. The SSSU needs to be provided with proper resources from the government to participate in international meetings and conferences.
42. The provisions of the revised Law “On State Statistics” in terms of coordination of international cooperation should be implemented once the law is adopted, and relevant coordination mechanisms should be established.
43. An overall / all-inclusive plan for the implementation of the Association Agreement in terms of the application of European standards in statistics as included in the Eurostat Statistical Requirement Compendium should be developed.

Chapter 15: Macroeconomic statistics

15.1 National accounts

Assessment

National accounts in Ukraine were introduced in 1993 based on a governmental decree. Since then national accounts have been developed and currently the full sequence of accounts are presented apart from some non-financial assets not yet included in the balance sheet, i.e. buildings and houses. In recent years, the changeover from the 1993 SNA/1995 ESA to the 2008 SNA/2010 ESA has been a main priority. The first publication following the revised methodology took place in 2014.

- Annual GDP by area and region

Annual GDP is compiled by all three approaches, i.e. the production, income and expenditure approaches. Final GDP and GNI figures are published on 30 December the year after the reference year. At the same time the institutional sector accounts, including sub-sectors, are published. GDP by the production and expenditure methods is compiled in actual and constant prices, though only by actual prices for the income approach.

In Ukraine, Gross Regional Product (GRP) is also compiled at the level of Oblast including the city of Kiev. Due to the specific situation in Ukraine for some eastern regions, Crimea and the city of Sevastopol, GRP for these areas is not currently compiled. Preliminary GRP volume figures are published on 12 June the year after the reporting year, whilst final figures (in current and constant prices) are published on 31 March the second year after the reporting year. At the regional level figures for disposable income for the household sector are also compiled - preliminary figures are available on 4 March the year after the reporting year, and final figures on 22 January the second year after the reporting year.

- Quarterly GDP

Quarterly GDP flash volume estimates are published 45 days after the reporting quarter. Preliminary GDP figures, including consolidated sector accounts, are published 80 days after the quarter. In the current year, preceding quarters are not revised until the publication of Q4 figures (where the estimates for Q1-Q3 are adjusted) on 20 March. Final quarterly GDP figures are published on 17 March of the second year after the reporting year. QGDP is seasonally adjusted using DEMETRA software.

For quarterly GNI, preliminary figures are published on 22 April after the reporting year and final figures on the same date the second year after the reporting year.

Preliminary quarterly sector accounts are published 90 days after the reporting quarter.

- *Input-output tables*

Annual input-output tables in market and basic prices are compiled by 30 December the year after the reference year in matrices of 42 x 42 products. The latter also include separate matrices of values for trade and transport margins, taxes and subsidies on products, use of imports and domestic production – these matrices are also 42 x 42. The SSSU's ambition is to expand the matrices from 42 x 42 to 65 x 65 products as recommended by Eurostat. Volume measures are obtained using a double deflation method.

The table below summarises the compilation and revision practices:

(A)nnual/(Q)uarterly/(R)egional	(P)reliminary/ (F)inal	Frequency	Constant prices
Q GDP flash estimates	P	45 days	Volume only
Q Preliminary GDP and consolidated accounts	P	80 days	Yes
Q and A Revised GDP	P	March 20 following the reporting year	Yes
Q Final estimates for GDP	F	March 17 second the reporting year	Yes
Q Preliminary GNI	P	Apr 22 following the reporting year	Yes
Q Final estimates for GNI	F	Apr 22 second the reporting year	Yes
Q Sector accounts and capital account	P	90 days	No
A Final estimates for GDP, GNI, accounts by institutional sectors and subsectors of the economy	F	Dec 30 next to the reference year	Yes
R Gross Regional Product	P	July 12 following the reporting year	Volume only
R Gross Regional Product	F	March 31 second the reporting year	Yes
R Disposable income for Households institutional sector	P	May 04 following the reporting year	Yes
R Disposable income for Households institutional sector	F	Jan 22 second the reporting year	Yes

Description

The responsibility of National Accounts in Ukraine lies with the SSSU's Department for National Accounts and Macroeconomic Statistics. The Department cooperates closely with the Statistical and Reporting Department of the National Bank of Ukraine, which is responsible for Monetary and Financial Statistics and Balance of Payment Statistics.

Including the managerial level in the Department for National Accounts and Macroeconomic Statistics, the number of staff is currently 34. During the last 3-4 years the number of staff members in the department has dropped by 9. The number of statisticians working on the

specific products are as follows: Annual GDP – 5, Quarterly GDP – 7, Sector accounts – 11, Supply and Use Tables and Input/Output Tables – 5, Regional Accounts by provinces and regions (GRP)– 6.

In addition, the data collection is to a large extent carried out by the regional and local statistical offices. An estimate of the resources used for national accounts at the regional level in terms of number of staff or working hours is not available.

Most data are collected by the regional statistical offices and verifications and checks are also carried out at this level. The data are then transmitted to the Main Inter-Regional Department of Statistics where the data undergo further checking and validation before they are put together and transmitted to structural departments at the SSSU and to the Department for National Accounts and Macroeconomic Statistics. The data are also controlled by the SSSU. Other data are collected at a central level, such as data from the Treasury and the National Bank.

In the compilation of national accounts a wide range of data sources are used, i.e. primary statistics and surveys. The SSSU has 10 agreements on the exchange of data for national accounts purposes with data providers such as the National Bank of Ukraine, the State Treasury, the Financial Supervisory Authorities, the Tax Authorities, the Stock Exchange, the Pension Fund and various social insurance funds.

In broad terms the quality of the data sources seems adequate. One exception noted was the budget information from the State Treasury. The classification of expenditure in the budget data makes the compilation of government expenditure - in line with the COFOG classification - difficult. The upcoming change in the chart of accounts in the budgeting of central government could be an opportunity to address this issue. Moreover, the introduction of accrual accounting in central and local government from 2017 will further increase the quality and suitability of government accounts as important sources for the compilation of macroeconomic accounting statistics.

Access to data sources seems to be broadly satisfactory. The AGA 2011 noted that a main weakness concerning data sources was the lack of information about so-called individual entrepreneurs. However, three years ago the agreement with the Tax Authorities on the exchange of data with the SSSU was renewed, this time also including micro data. Access to data on individual entrepreneurs facilitated an improvement in structural business statistics, which is now a better input to national accounts.

Normally, GFS is used as an input to national accounts. GFS in Ukraine is compiled on a cash basis and therefore is not directly suitable as an input to national accounts (which are compiled on an accrual basis). When compiling national accounts in Ukraine, selected GFS indicators such as wages and salaries are adjusted to reflect the difference of using accrual methods. However, in 2017 accrual accounting will be introduced in the budgeting of central government, providing the opportunity to change the GFS onto an accrual basis and, in principle, make GFS suitable for national accounts purposes.

The production of national accounts is based on a variety sources such as surveys, sectoral statistics and administrative data. Input data are made consistent with the definitions, coverage and classifications of the 2008 SNA. When revising data collection forms, the needs of national accounts are taken into account. Data from alternative sources are analysed and compared, to ensure consistency, and classified in accordance with the SNA methodology and classifications. Possible discrepancies are identified, analysed and (if necessary) corrected. In the case of a lack of, or limited, information, i.e. quarterly GDP calculations and annual ratios, experts review selected indicators and use econometric methods and models. Annual input-output tables are also instrumental in exploring reasons for discrepancies.

For the production of quarterly GDP a four stage production/dissemination schedule is applied: i) a first quick estimate 45 days after the quarter by extrapolating data and deflators using relevant volume indices; ii) preliminary quarterly estimates are produced based on data from statistical surveys, administrative data, data on banking and finance statistics, and statistics on balance of payments some 80 days after the quarter; iii) amended quarterly estimates are produced in March after the reporting year taking into account final estimates of the previous year as well as balance of payments information, and an annual estimate is calculated as the total of the four quarters; and iv) in March of the second year after the reporting year, final quarterly GDP estimates are produced taking into account the final annual estimates for the relevant quarters and the final balance of payments estimates.

Preliminary quarterly GNI figures are compiled in April the year after the reference year and final figures in April the second year after. Quarterly sector and capital accounts are produced 90 days after the reference quarter. Final annual national accounts, i.e. GDP, GNI, and institutional sector accounts, are completed by the end of the year after the reference year. In addition, regional national accounts are also produced, e.g. gross regional products (GRP) and disposable income for the household sector, the former with preliminary data in July the year after the reference year, and final data in March the second year after respectively. Preliminary income figures are provided in May the year after and final figures in January the second year after the reference year.

National accounts are disseminated on the SSSU website in Ukrainian and English. In addition, national accounts data are also published in paper format in quarterly and annual publications.

As in many countries in recent years, work on national accounts in Ukraine has been heavily affected by the changeover to the revised methodological guidelines – 2008 SNA/2010 ESA. The changeover materialised in the first publication according to the revised methodology in 2014, providing time series from 2000 to 2013 with a new base year 2010. On this occasion the SSSU held a seminar for the main users to explain the changes.

GDP components are compiled using national and international standards. The national standards are harmonised with the international ones such as the national Classification of Types of Economic Activity (CTEA-2010) (harmonised with NACE rev.2), and the Statistical Classification of Products (SCP-2011) and Nomenclature of Industrial Products which are harmonised with CPA 2008 and PRODCOM respectively. When developing the national version of the Classification of Individual Consumption by Purpose, the European Classification of Individual Consumption Expenditure of the European Union (COICOP-HBS) served as the basis. The compilation of final consumption expenditure of the general government follows the Classification of General Government's Functions. The compilation of final consumption expenditure of non-profit organisations servicing households follows the international classification of the purposes of non-profit organisations servicing households. For exports and imports of goods and services, information on foreign trade is used, namely the Ukrainian Classification of Goods in External Economic Activity and the Classification of External Economic Services. The Classification of Institutional Sector of Economy of Ukraine is based on the methodological principles of SNA 2008.

During the implementation of the 2008 SNA/2010 ESA, several methodological changes were made - such as for goods sent for processing, FISIM, research and development, military expenditure and the output of reinsurance. In addition, the measurement of the non-observed economy (NOE) according to the OECD/IMF/ILO/CIS handbook has been implemented. As an illustration, the effect of methodological changes and the improved measurement of NOE resulted in a revision of GDP of 3.6 % for the year 2013.

The changeover to the revised methodology in national accounts took place in close coordination and cooperation with the National Bank (which is responsible for balance of payment statistics and monetary and financial statistics); the Bank simultaneously changed from BPM5 to BPM6.

Several satellite accounts are being compiled: health accounts, social protection, education, and research and development. In addition, satellite accounts are planned or in progress on tourism, energy (SEEA), agriculture and environmental protection.

Further improvements necessary for the full implementation of the revised guidelines concern the sub-sector of financial corporations and financial assets/instruments.

An indication of the quality improvements in national accounts obtained in recent years is that the weights for CPI are now based on national accounts information and not on the household budget survey as before.

The timeliness of national accounts publications in Ukraine is consistent with European standards and also meets IMF requirements through Ukraine's subscription to the SDDS. The assessment team was told that delays in publishing national accounts statistics are very rare. National account publications are listed in the SSSU release calendar.

Macroeconomic statistics include not only national accounts, but also other statistics such as balance of payment and international investment statistics, government finance statistics and monetary and financial statistics. All these components of macroeconomic statistics should be methodologically harmonised in order to provide a coherent picture of the economy - it is very important that in the production of these statistics coherence is *actually* ensured. In Ukraine, this seems to be the case between national accounts and BOP, whilst for GFS this is *not* the case.

Since the implementation of 2008 SNA/2010 ESA, the documentation on sources and methods has not yet been updated.

The SSSU told the assessment team of its ambitions to follow European standards more closely, in national accounts, in terms of documentation, quality reporting and dissemination.

Recommendations

Even though this assessment does not provide an in-depth review of each statistical domain, it seems that in Ukraine the national accounts are closely aligned with European and international standards, and that there has been progress since the last AGA in 2011. The SSSU is encouraged to:

44. Continue the implementation of 2008 SNA/2010 ESA with respect to the new guidelines on the sub-sector for financial corporations and financial instruments.
45. Cooperate more closely with GFS compilers in the Ministry of Finance to ensure coherence between national accounts and GFS. In this respect, flag together with GFS compilers statistical needs in the upcoming revision of the chart of accounts of the budgetary central government, i.e. to facilitate the compilation of COFOG.
46. Include GFS compilers into the existing cooperation on macroeconomic statistics in Ukraine between national accounts and balance of payment statisticians.
47. Update the inventory documentation on sources and methods and make it available on the SSSU website.

Moreover, the ambition to work towards a dissemination programme in line with the European transmission programme as set out in Annex B of 2010 ESA is supported.

Following the changes in SNA/ESA, several methodological changes have been made despite a significant reduction in the number of staff. However, the number of qualified staff is a concern and represents an obstacle to carrying out important quality work and documentation. This does

not only concern national accounts, but it is important to recruit, train and retain staff in the department to ensure the high quality of these key statistics.

Further development, following IMF recommendations, in calculating preliminary quarterly GDP mean that the previous GDP estimates for the current year need to be revised in connection with the revision of balance of payments data by the National Bank.

15.2 Government Finance Statistics (GFS)

Assessment

The compilation of GFS in Ukraine largely follows the reporting obligations to the IMF in addition to national budget reports. Ukraine subscribes to the IMF Special Data Dissemination Standard (SDDS) and the indicators for the Fiscal Sector (GFS) are provided on an annual, quarterly and monthly basis. In addition, Ukraine also provides GFS data for the IMF GFS Yearbook (GFSY). GFS is published nationally on both the websites of the Ministry of Finance and the SSSU, and in some cash reports on the Treasury's website.

- *Government finance statistics – annual data*

Annual consolidated cash data on general government and its subsectors' operations are compiled containing revenue, expenditure and financing split by domestic and foreign financing for SDDS and national purposes. For the GFS Yearbook annual detailed data are provided for revenue, expense, transactions in non-financial assets, financial assets and liabilities, balance sheet and outlays by the functions of government (COFOG). These statistics are, however, compiled by national accounts in the SSSU. The annual data for GFSY purposes are compiled for all subsectors of the general government.

- *Government finance statistics – quarterly data*

Quarterly GFS reports are compiled for all subsectors and consolidated general government. Ukraine also compiles (quarterly) the SDDS indicator on central government nominal outstanding debt. The coverage is the central government subsector.

- *Government finance statistics – monthly data*

Through the requirements in the SDDS, Ukraine also provides monthly cash statements on the operations of the budgetary central government and local government. This is basically the main aggregates for revenue, expenditures and financing split by foreign and domestic counterparts.

- *Structure of government debt*

Quarterly debt for budgetary central government is compiled as one of the SDDS indicators showing nominal debt by maturity and instrument, and split between domestic and external. For the reporting to the GFS Yearbook, not only are debt positions available but also a full financial balance sheet for all subsectors of the general government.

- *Tax revenue statistics*

On the revenue side, the annual GFS also provides detailed information on tax revenue items, whilst quarterly and monthly reports are less detailed.

Description

GFS in the Ukraine is compiled by the Ministry of Finance's Unit for Government Finance Statistics in the Directorate for Budget Analysis and Macroeconomic Indicators. The directorate is part of the Department of the State Budget. The legal mandate for the compilation of GFS is

the annual plan of statistical surveys for the period up to 2017 approved by the Cabinet of Ministers of Ukraine (concerning GFS) and the annual work plan of the Ministry of Finance through the Order of the Prime Minister of Ukraine No. 9316/ 25 of August 2002, about the preparation and submission of information in accordance with the SDDS on GFS.

The GFS unit decides on statistical methods, standards and procedures for the compilation of GFS, as well as on the content of statistical releases. The GFS Unit told the assessment team that its professional independence is ensured and that there is no external interference or intervention, even though there is no legal basis to ensure its independence. Statistical releases are not subject to political assessments or comments, and no pre-release access to the data is given. In cases of misinterpretation of the statistics, the unit provides explanatory comments as appropriate, as well as other user support.

The GFS Unit has 4 members of staff; in addition, debt statistics are compiled by one member of staff in the Debt Policy Department. According to the Head of the GFS Unit, the number of staff is adequate. All staff members in the Unit were recruited from the SSSU.

The data sources for the production of the GFS are budget and financial reports from various levels and entities of the general government. Budgetary central government and regional and local government financial and budget reports are provided by the Treasury, with which an agreement on data exchange exists. Reports from the budgetary central government are available on a monthly, quarterly and annual basis. Other reports from regional and local government, extra budgetary central government units, and social security funds are available on a quarterly and annual basis. The social security funds sector comprises the Social Insurance Fund against Occupation Accident and Diseases of Ukraine, the Social Insurance Fund against Temporary Loss of Working Capacity, the Unemployment Social Insurance Fund, and the Pension Fund of Ukraine. Checks and validations of the data are carried out by the GFS Unit.

In the compilation of the debt estimates, additional information from statements creditors is used, as well as information from borrowers who received loans under the state guarantees.

The quality of the sources in terms of reliability is considered high and the coverage good, but the budget code structure does not always easily allow for classification into the GFS structure.

The GFS Unit monitors changes in legal acts that might establish new data sources or provide access to existing sources. If necessary, the Ministry of Finance establishes agreements on information exchange with producers of statistical or administrative information. Important agreements exist with the SSSU and the Treasury.

As noted above, the GFS is compiled using administrative information, i.e. budget reports and financial statements. In Ukraine, government accounting is performed on a cash basis. For SDDS reporting purposes the cash oriented IMF GFS 1986 methodology is followed. For the IMF GFS Yearbook, cash data are classified within the reporting templates of the accrual based methodology of the IMF GFS 2001/2014. No time adjustments are made to bring the reporting closer to an accrual basis.

All GFS statistics produced by the GFS Unit are disseminated on the Ministry's own website, on the SSSU website and on the IMF website; and monthly, quarterly and annual cash budget reports for budgetary central government and local government are published on the Treasury website. Publications are available both in hard copies and electronic format.

The time schedule for GFS disseminations follows IMF requirements, and is posted on the SSSU release calendar. Metadata are also available on the websites.

In detail, the compilation/dissemination schedule is the following:

Periodicity Coverage	M (month)	Q (quarter)	A (year)	Publications
Cash reports on state budget, and Cash reports on local budgets	on the 25 th day after the end of the reporting period	no later than 35 days after the end of the reporting period	no later than April, 1 st after the end of the reporting year	Websites of the State Treasury of Ukraine. These are national reports on budget execution, national methodology not fully in compliance with the GFSM 2001. For SDDS purposes published on the websites of the SSSU, MoF and IMF following GFSM 1986 except from privatisation receipts treated as financing.
Cash reports on state extrabudgetary social security funds	x	no later than 55 days after the end of the reporting period	no later than April, 1 st after the end of the reporting year	Information is disseminated by SSSU and MoF. For SDDS purposes as memorandum item (quarterly information on revenue, expenditure, without receipts from state budget.
Cash consolidate data on general government	x	no later than 90 days after the end of the reporting period	no later than 6 months after the end of the reporting year	Information is disseminated by SSSU and MoF for SDDS purposes (annual information on revenue, expenditure, balance, financing (GFSM 1986 except privatization receipts treated as financing). Annual data on general government operations are published in the statistical yearbook of the Ministry of Finance of Ukraine “Budget of Ukraine” and disseminated through the website of the Ministry of Finance of Ukraine. For the “Government Finance Statistics Yearbook” (IMF) there is an annual cash data reclassification into GFSM 2001 format.

In principle GFS is fully harmonised with other macroeconomic statistics such as national accounts through the recent revisions of the international methodological guidelines – GFSM 2014 and 2008 SNA. This should in principle ensure coherence between GFS and national accounts, but this is currently not the case. Ideally, GFS should be an important input to the national accounts.

Recommendations

The SSSU is encouraged to:

48. Coordinate methodological work in GFS with national accounts to ensure coherence between the two macroeconomic statistics.
49. The introduction of accrual accounting in the government in 2017 will bring GFS in line with the GFSM2001/2014. GFS will thereby be fully harmonised with 2008 SNA. GFS should then be used as input for national accounts. This requires a close cooperation between national accounts and GFS compilers.

50. The revision of the government's Chart of Accounts in the near future should yield a good opportunity to flag statistical needs to ensure better bridging between source data and statistics, e.g. to enable better identification of the functions of the outlays of government and thereby facilitate the compilation of COFOG statistics. Moreover, the responsibility for the compilation of COFOG based statistics should be allocated to GFS compilers.
51. GFS should be part of the ambitions expressed by national accountants to compile and disseminate statistics in line with the European Transmission Programme – Annex B of 2010 ESA since some tables are “ESA GFS” tables.
52. All production of official statistics in the MoF should be placed in one statistical unit, i.e. the compilation of debt statistics currently in the Debt Policy Department should be moved to this unit. This unit should be professionally independent and comply with the ESCoP in the same way as other producers of official statistics.

15.3 External Trade Statistics (ETS)

Assessment

External trade in goods statistics are compiled on a monthly, quarterly and annual basis showing foreign trade by type of goods, by regions of Ukraine, and by trade partners. Trade in services statistics are compiled on a quarterly and annual basis. For trade in goods, export and import price indices are compiled, and on the basis of these price indices volume figures are compiled. In addition to national publications, merchandise trade data are submitted to the IMF in the context of SDDS, to Eurostat for the collection of Extra-stat merchandise trade data, and to the UN.

Description

The responsible authority for ETS in Ukraine is the SSSU and the compilation of ETS is carried out by the Department for Trade Statistics.

The legal framework for the production of ETS (in addition to the Law of Ukraine “On State Statistics”) is the decision of the Cabinet of Ministers “On the preparation of the foreign trade balance of Ukraine” of 2003. Regulations concerning the BOP statistics and the Customs Code are considered relevant too.

At the central level, i.e. the Department for Trade Statistics in the SSSU, 8 experts are involved in the production of foreign trade in goods; for trade in services, 4 experts are involved. The use of human resources at the regional level cannot be determined. The human and financial resources at the central level are considered insufficient to carry out further improvements to the ETS.

The production of ETS is based primarily on data from administrative sources, but monthly and quarterly surveys are also carried out. The data are prepared by checking the plausibility of variables like type of goods, country of origin, CIF/FOB values, and by using specialised software that automatically cross-checks and identifies cases to be checked further. If necessary the data sources themselves might be consulted. The types of goods are classified according to the national Ukrainian Classification of Goods for Foreign Economic Activities, which is based on the global six-digit Harmonized Commodity Description and Coding System (HS) and the eight-digit Combined Nomenclature of the European Economic Community.

For external trade in goods the main data source is the customs declarations from the State Fiscal Service (Customs Service). The customs declarations, completed by the declarants during the customs clearance process of goods, provide data on exporter/importer and the prices and volumes of the exported and imported goods. In addition, data on international trade in goods that are not subject to customs declarations are also collected. Information on the volume of

imports of crude oil through pipelines is collected from the Ministry of Energy, and data on the volumes of export and import of natural gas are collected from Naftogaz.

Moreover, administrative information is obtained from the Ministry of Infrastructure on business entities that have received a license to carry passengers and cargo by air, river, sea and motor vehicles. These data establish the population frame for the monthly and quarterly data collections.

For external trade in services, a quarterly survey is carried out on legal entities engaged in foreign economic activities in services, on embassies, and on entities engaged in technical assistance activities, etc. There is a wide range of providers of administrative information such as the Ministry of Economic Development and Trade (international technical assistance), the Ministry of Foreign Affairs (for the costs of the maintenance of embassies and consulates in Ukraine) and the Administration of the State Border Service (the number of foreigners and Ukrainians who cross the border of Ukraine). In addition, for the more complete coverage of foreign trade in services, the SSSU uses information obtained from administrative sources such as the register at the Ministry of Infrastructure and Inspection which identifies legal entities that hold licenses to transport passengers and cargo by air, river, sea, road, etc. (also used for trade in goods, as noted above). From the State Agency for Tourism and Resorts, a register of licensed tourism entities is used, and from the State Construction Inspectorate the list of construction companies and organisations with permits is available, as well as a list of the registered offices of foreign business entities. The threshold used for service transactions is USD 20,000. ETS compilers at the SSSU coordinate the work with the BOP compilers at the NBU.

SSSU plans, by the end of 2016, to produce a quality report which will also cover the quality of sources.

Potential new data sources are explored by monitoring changes to relevant legal frameworks.

The evaluation of the quality of existing sources is performed during data processing.

The production of ETS broadly follows international standards and recommendations. ETS is based on norms and requirements in national legislation that are based on the methodological recommendations in the UNSD “International Merchandise Trade Statistics: Concepts and Definitions, 2010” and the BPM6. National methodological guidelines and compilation practises for foreign trade statistics are established on the basis of the methodological recommendations of the UN Statistics Division “International Merchandise Trade Statistics: compilers manual, 2012”, and the UN “Handbook of International Trade in Services, 2010”.

National nomenclatures on types of goods, economic activities and countries are based on international standards such as the latest version of the Harmonized System.

ETS in goods are published monthly, quarterly and annually, both in current prices and volumes. Price indices are also compiled and published on a monthly basis, also benefitting national accounts. ETS in services are published on a quarterly and annually basis; volume figures are also calculated. The timeliness and punctuality of the publications are in line with international recommendations. In addition, monthly ETS data are reported to Eurostat and the IMF (SDDS), and annual data are provided to the UN.

In Ukraine, not only do the ETS provide Ukrainian figures for exports and imports; the BOP statistics produced by the NBU, and export and import figures produced by the Customs Services, are also disseminated. Following up on a recommendation from the AGA 2011, documentation is available on the SSSU website on the methodological differences between the export/import figures produced by the SSSU, the National Bank and the Customs Services.

Despite the significant progress made by the SSSU in improving the quality of ETS in recent years, the Department for Trade Statistics told the assessment team of several issues for further improvements to bring ETS closer to European and international standards:

- Concerning external trade in services statistics, the data sources for one-day visitors are not sufficient for the calculation of the costs of services by economic activity related to travel that are consistent with the internationally recommended methodological guidelines. Additional data sources would be required to make this possible.
- The Department would like to perform retrospective calculations of the costs of services for processing.
- Training is required in methods of calculating the elements of the costs of transport and insurance services on the basis of factor prices (CIF/FOB) of imported goods.
- It is planned to prepare a quality report on external trade in services and goods in 2016.
- For external trade in goods, the Department sees a need to prepare methodological guidelines for the implementation of seasonally adjusting time series.
- The Department would find it very useful to carry out another mirror exercise.

Recommendations

The SSSU is encouraged to:

53. Conduct a mirror exercise with another country to further check the quality of the data – building on the progress made in the production of ETS in the recent years - subject to the availability of funding and resources.
54. Seek international funding based on well-reasoned project descriptions explaining user needs, proposed activities and expected outcomes in order to overcome resource constraints.

15.4 Balance of Payment Statistics (BOP)

Assessment

Balance of payment statistics in Ukraine are compiled and disseminated by the National Bank of Ukraine (NBU). The statistics cover all accounts, i.e. current account, capital account and financial account (including foreign direct investments), on a monthly, quarterly and annual basis. Statistics on international investment positions and remittances are compiled and published on a quarterly and annual basis. In addition to national publications, the NBU provides indicators for the external sector in the context of the SDDS.

In addition to BOP statistics, other monetary and financial statistics are also produced by the NBU.

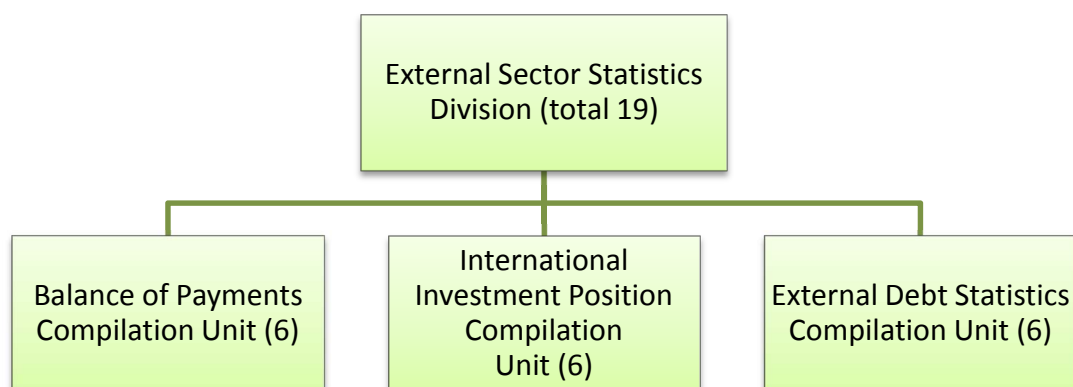
The responsibility of the NBU for the collection, production and dissemination of statistics is, in addition to the Law “On State Statistics” established through the Law “On the National Bank of Ukraine” of 1999. Besides these two laws, the Law “On Banks and Banking” of 2000, and two NBU Board resolutions on the organisation of statistical reporting to be submitted to the NBU and rules concerning the SDDS obligations, provide the framework for the statistical activity of the NBU.

More specifically, responsibility for the compilation of BOP statistics is placed on the NBU through a Decree of the Cabinet of Ministers on Foreign Exchange Regulation and Control in addition to the Law “On the National Bank of Ukraine”.

Description

The statistical work is the responsibility of the Statistics and Reporting Department of the NBU. The department consists of four divisions. The BOP Compilation unit is one of three units in the External Sector Statistics Division (the other two units being responsible for international investment position statistics and external debt statistics). The other three divisions are the Financial Sector Statistics Division (15 staff members), the Information Assets Division (22 staff members) and the Statistical Information Division (26 staff members).

All the three units in the External Sector Statistics Division have 6 staff members each. It seems that the resources available for the compilation of BOP in Ukraine are sufficient.



The BOP compilation unit is responsible for the production of the current account. The IIP compilation unit is responsible for financial account in the BOP and IIP; in addition it compiles the Coordinated Portfolio Investment Survey (CPIS). The External Debt Statistics unit compiles data on external debt and debt service

The data for BOP statistics is based on several sources. Of particular importance is the international transactions reporting system (ITRS), which was introduced in 1993. This system provides information from domestic banks involved in international transactions as well as resident enterprises with foreign bank accounts. The data collection from the banks is fully automated and incorporates a series of verifications and validations during the data processing. In order to ensure quality in the production of data, the NBU provides banks with assistance in the compilation of statistical information. There is also close cooperation with the national accounts experts at the SSSU.

As mentioned above, the ITRS is a very important source of information for BOP, but a number of other sources are used as well. The ITRS provides information from domestic banks (currently 106) and resident enterprises (165) that have opened foreign accounts. The simplification threshold applied in ITRS is transactions above USD 50,000 or equivalent value with the identification of the resident customer; and for services transactions the threshold is USD 20,000. The ITRS information on resident units involved in international transactions is used to update the SSSU's statistical register of foreign activity participants and it is instrumental in improving the coverage of the surveys. SSSU statistics on international trade in services and foreign direct investments, as well as information collected by the SSSU through other regular reporting systems, are then used to complement and adjust ITRS reporting data. In addition, other sources of data available at the NBU are banks' balance sheets and surveys of banks and enterprises on external loans (monthly loan-by-loan data on stocks, transactions, and schedules of repayments).

In addition, data sources from outside the NBU - including international investment positions and external debt statistics - are used for BOP purposes. The NBU also draws on the SSSU's enterprise surveys on the export and import of services and FDI, and accounts receivable and payable, and SSSU data from surveys on travellers and migrants.

Other data sources are the Ministries of Finance and Economy, the State Border Administration of Ukraine, the State Commission on Securities and Stock Market, the State Commission for Regulation of Financial Services Markets of Ukraine and Naftogaz. Information on deposits of other sectors in foreign banks is obtained from the Bank of International Settlements (BIS).

Informal trade not included in official trade statistics is estimated. This concerns undeclared and/or inadequately declared goods imported by legal entities and goods exported or imported by individuals. For this estimation, values of declared consumer goods vs. sales are used. Currently, Ukraine has a forex regulation controlling capital movements, which provides useful statistical information.

All source data used for the compilation of the BOP statistics are assessed for consistency with the methodology and classification of the balance of payments. Data from alternative sources are compared and the reasons for discrepancies are analysed. If any methodological and/or technical errors are discovered in bank reports, NBU experts inform the respondents about the errors to enable their correction. Information from other official sources is used when it is consistent with the concepts and methodology of the balance of payments statistics.

The quality of the ITRS data is in general good. However, the quality of data from travel, i.e. border crossing, seems to be unsatisfactory. This means that there has been little change from the situation observed in the AGA 2011 which noted the lack of comprehensive tourism statistics.

The changeover from BPM5 to BPM6 took place simultaneously with the changeover from 1993 SNA to 2008 SNA. Quarterly BOP data for the years 2005 to 2013 were then published in BPM6 format. Starting from Q4 2015 BOP statistics have been published according to the BPM6 methodology. The plan is to revise and publish time series from the year 2000 onwards, during 2017. BOP statistics have not included data on international transaction for temporarily occupied territories, the Autonomous Republic of Crimea and the city of Sevastopol since Q2 2014.

For current account compilation the main source used for trade in goods is the foreign trade statistics from the SSSU. Goods for processing are excluded and CIF/FOB adjustments are made based on SSSU data on the share of freight and insurance of the imports, and informal trade is estimated as well. For trade in services, data are obtained from the ITRS system and the SSSU quarterly surveys. Travel estimates for border crossing of non-residents, i.e. length of stay, average expenditures, etc. is based on an out-of-date survey on tourism. The reliability of this information is probably not satisfactory.

Furthermore, government data on payments for government employees on duty abroad is used. Government data on international technical assistance received is used as well, based on rules for reimbursement. Finally, for the calculation of trade in services, information from the media and the internet is also used.

For the calculation of remittances, ITRS data on money transfers made by individuals from abroad (via banks and money transfer operators) are adjusted for the amount of money delivered in cash.

For the compilation of the financial accounts, NBU uses holdings and transactions on the equity side of direct investments, the quarterly survey on FDI, ITRS data, and administrative data on revenue from privatisation received from non-residents. On the debt side, inter-company lending from external loans reports and SSSU data on receivables and payables are used.

For other investments in assets and currency and deposits, changes in other sectors holdings of foreign currency cash are estimated in addition to the use of BIS data. For trade credit estimations, SSSU data on inter-enterprise receivables and payables are used.

In broad terms BOP statistics are compiled according to the BPM6, providing comparability over time and coherence with national accounts. The timeliness is also satisfactory respecting e.g. the reporting frequency and punctuality of SDDS. Data are easily accessible on the NBU website, both in Excel and PDF formats.

BOP statistics are currently available on a quarterly basis from 2005, and on a monthly basis from 2010. Monthly and quarterly data are released 25-30 days and 75 day respectively after the end of the period. After the quarterly publications, monthly data are adjusted to ensure consistency with the quarterly data. Quarterly IIP is published within 90 days of the end of the quarter; the corresponding figure for external debt is 80 days. For IIP, quarterly data from 2010 are available and for external debt data are available from the 2005. Quarterly data on remittances are available from 2008.

Recommendations

The SSSU is encouraged to:

55. Give high priority to FISIM calculations for export and import (not implemented yet) as this also affects national accounts.
56. Include BOP statistics in the release calendar of the SSSU (as recommended in the previous global assessment).
57. Seek the support of the National Bank in order to improve the quality of tourism statistics, since the current survey data seem to be outdated.

15.5 Consumer Price Index (CPI), including PPP and housing prices

Assessment

The Ukrainian CPI is in line with good practice and European and international standards and recommendations. The sample of goods and services is kept up-to-date, weights are updated annually and the calculation methods and classifications used are in line with international recommendations. The CPI is part of the IMF's SDDS.

Expenditure for owner occupied dwellings is partially covered by including expenditure on the maintenance and repair of dwellings. An estimate of the rental value of owner occupied dwellings is not included but its calculation is planned.

Understanding of the CPI and trust in the credibility of CPI statistics by the public and the media are crucial, and should be fostered as much as possible. The existing and published background material (both printed and on the SSSU website) should be made more user-friendly. All available means should intensively be used for that purpose, e.g. workshops and press-conferences for journalists.

Description

Price statistics are the responsibility of the department of price statistics, with 7 members of staff at the headquarters and about 300 price collectors in the regions.

The scope and definitions of the **Consumer Price Index (CPI)** are broadly in line with international standards and recommendations as provided in the "Consumer Price Index Manual: Theory and practice" (2004) published by ILO, IMF, OECD, Eurostat, UN and the World Bank. The CPI follows the national concept and does not include private consumption of foreigners who are visiting the country. Consumed goods and services are classified according to the

classification of individual consumption by purpose (COICOP). The coverage of goods and services corresponds to final consumption expenditure of households in the SNA with the exception that rents and imputed rentals for owner occupied housing are only partly included in the CPI.

The CPI is calculated for Ukraine as a whole; in addition, regional CPI-values are calculated. The basket of goods and services represented in the CPI is specified by the SSSU taking into consideration proposals from regional statistics bodies and users. The (national) consumption basket contains 335 goods and services. The list is reviewed every five years.

The CPI weights are derived from the results of the annual household living conditions survey. Additional information from retail trade statistics and SNA is used for adjusting the weight coefficients, e.g. in order to correct the representation of 'own consumption' or to correct underreporting of expenditure on cigarettes and alcohol. Payments for municipal services and actual rentals are included. Currently, owner-occupied dwellings are not covered by the CPI sources (except partially for maintenance and repair expenditures). The weights are updated annually.

Prices and tariffs are monitored in 86 urban settlements. The selection of the urban settlements and enterprises from trade and the service sectors within the towns is based on stratified multi-stage sampling with probabilities proportional to size. The selection includes the following main steps:

- determination of the number of price quotations for representative goods and services;
- distribution of price quotations for representative goods between enterprises of trade and markets;
- formation of the population (sampling frame) for each urban settlement where the price collection is to be carried out;
- formation of the sample;
- selection of enterprises for the collection of prices.

Almost 200,000 prices are recorded every month by the price collectors, who are members of staff of the regional and local state statistical bodies. Prices are collected in all 86 cities between the 1st and 25th day of each month and, for some goods with highly volatile prices, during the whole month. Regulated prices (tariffs for communications services, housing and public utility services, etc.) are obtained from the relevant bodies.

The calculation and aggregation methods are in line with the recommendations of the CPI manual of the International Labour Organization (ILO). The elementary indices are calculated by using geometric means. Imputation of missing prices and the treatment of the replacement of items are regulated in detailed prescriptions. Implicit price adjustments are made for quality changes (implicit method).

The CPI is published monthly, within ten days of the end of the reference month. The release calendar on the SSSU website indicates an approximate release date; the precise release date is announced in the release calendar no later than the end of the week prior to the data release. The CPI is published on the SSSU website and in the monthly express-release "Price Indices".

The main problem for price collectors is that prices are collected on paper as there is no proper IT solution available for data collection. Introducing modern ways of data collection via hand-held computers would require substantial financial resources, which are not available.

Documentation about the CPI is available on the SSSU website and on IMF's SDDS website, which also contains a link to the CPI on the SSSU website. CPI values are final and are not revised.

The SSSU organises seminars with users on a regular basis to explain the CPI methodology, including any changes. The media receive specifically prepared information. A price index calculator is available on the SSSU's website to enable users to calculate their own inflation rate.

The **Housing Price Index (HPI)**, showing changes over time in the prices of housing real estate that are bought or sold by legal or natural persons, is produced separately for new housing (primary market) and for housing that was previously in operation (secondary market). The methodology applied for the HPI is based on the general principles for producing price indices in line with European standards and the joint Eurostat/ILO/IMF/OECD/UNECE/World Bank document (2013) "Manual on price indices for housing real estate".

HPI calculations are based on data obtained from quarterly surveys on changes in the prices of housing real estate, data on the total floor area of apartments put into service in the primary housing market, and the value of housing sold on the secondary market.

The quality of data sources is ensured by annual checks and adjustments to the weight structure, updates of the sample of enterprises that sell housing, and revisions of the set of representative goods and urban settlements.

The survey on changes in prices in the primary and secondary housing markets covers urban settlements in all regions of the country excluding the territories which are not under effective control of the Ukrainian government (starting from January 2015) and the illegally annexed Autonomous Republic of Crimea and City of Sevastopol (starting with data for June 2014). The selection of urban settlements is made at the national level, and takes into account the size of the population in a city, the availability of units that provide services for buying and selling housing, and the share of the products (works, services) sold in the total.

The set of representative goods that is the basis for the HPI compilation is common for all regions of the country, and is determined centrally. The selection of representative goods is made according to important price characteristics, namely: by region, number of rooms and type of buildings. This ensures the representativeness of calculations of average prices and price indices for housing.

Apartments are selected if they meet the criterion of having a certain number of rooms and to be part of an area that exceeds 15% of the total area put into service during a year. The criterion for apartment selection in different type buildings is to be part of the area that exceeds 40% of the total area of apartments put into service.

The selection of organisations to carry out the surveys on changes in prices in the housing market is made at the national level for every region of the country on an annual basis, using random systematic sample with probability proportional to size. The calculations of average prices for 1m² of the total housing area for every representative good within the region are made using geometric means. The calculation of average prices for 1m² of the total area of housing by region and for Ukraine as a whole, and by the number of rooms, are made using arithmetic weighted averages. The calculation of the general price indices by region and for Ukraine as a whole are made using the Laspeyres formula.

In order to check HPI calculation at different stages of data processing, methods to control output indicators are employed. After the process of price collection has been finished, the accuracy and reliability of enterprise information about prices is thoroughly checked. If necessary, additional clarifications and checks are made, and any errors are identified and corrected. To take into account temporarily non-available prices, data are imputed.

To identify and assess new data sources, information from a variety of sources is used - the Ministry of Justice, the Register of Statistical Units, mass media, advertisements, housing

developers, the public association “League of Ukraine's experts” and the information and analytical centre “Olimp Consulting”.

Data on HPI are final and not revised.

Starting from 1993, Ukraine participated in the **International Comparison Programme (ICP)**. In the 2005-2011 round it was part of the CIS group. Due to the growing interest of users and researchers in the results of price comparisons and GDP figures expressed in PPPs, Ukraine is interested in participating in price comparison programmes that take place more frequently, such as the Eurostat-OECD programmes. This is of particular importance for the next (2017) round, but needs proper financing to enable participation in working groups and seminars and the implementation of the specific price surveys.

The Price Statistics Department is aware of the need to further develop the price statistics methodology. A number of actions are planned for the future development of the CPI in 2016 and 2017. In this context, the sample frame for the regions will be improved and the basket of goods will be updated using data from national accounts and the household budget survey. It is also planned to produce quality reports.

Recommendations

The SSSU is encouraged to:

58. Proceed with further developments of the price statistics methodology such as the implementation of explicit quality adjustments. The SSSU should be provided with the required financial means to obtain hand-held computers and the respective software for price collectors as this would provide efficiency gains in data collection, processing and validation; (see also recommendation 10f).
59. Seek possibilities to join another group of countries for the continuation in the programme of international comparison (e.g. the Eurostat-OECD group), as Ukraine has been participating in the World Bank International Comparison Program (ICP) as part of the group of CIS countries but the development in recent years makes it necessary for Ukraine to join another group.

Chapter 16: Business statistics

16.1 Statistical Business Register (SBR)

Assessment

The quality of the SSSU's Business Register – the Register of Statistical Units (RSU) - suffers from limited access to data on individual entrepreneurs from the tax authorities. This deficiency for individual entrepreneurs to report to the SSSU is a problem, for which solutions should be sought in the short run in order to better cover information on individual entrepreneurs.

Considerable progress has been made in terms of reducing the number of administrative tasks carried out by the SSSU and in handing them over to the relevant Ministries, and the SSSU should continue its efforts in this regard as it is not in line with the ESCoP that the SSSU provides administrative information to other government bodies.

Description

Within the department of infrastructure statistics, the division of the USR and statistical registers has 3 staff members responsible for the business register.

Article 10 of the Law “On State Statistics” provides for the Unified State Register of enterprises and organisations (USR) - an *administrative* business register, which is under the responsibility of the “State Register Service” within the Ministry of Justice. Information and updates from the USR feed into the *statistical* business register RSU (register of statistical units), which is the responsibility of the SSSU. The RSU includes an administrative and a statistical part. Updates for the administrative part are received from the Ministry of Justice every 2 hours, based on a revised MoU signed in autumn 2015 to ensure the regular exchange of data.

The Ministry of Justice is responsible for the administrative business register and, hence, for providing information on registered enterprises to the public. This was a task previously implemented by the SSSU but, as it was not in line with the ESCoP, the previous global assessment recommended transferring this task to an administrative body. In 2013, the SSSU was released from this obligation by a decree of the Cabinet of Ministers. At present, the SSSU still provides administrative information upon request from Ministries on whether a certain enterprise exists in a given location, but it hopes that such requests will cease once the decision of the Cabinet of Ministers that all Ministries with administrative registers have to provide public access to their registers is implemented. This would free up SSSU resource to focus on keeping the statistical business register updated, and would be consistent with ESCoP.

The RSU includes a statistical register of enterprises (SRE) identifying legal persons, enterprises and local units. The identifiers of legal persons and enterprises are assigned by the State Register Service, whilst identifiers of local units are assigned by the SSSU. Work has been undertaken to improve the quality of the information on local units. In addition, the RSU also contains a statistical register of individual entrepreneurs (SRIE). The number of legal units and the number of individuals is about 1.2 and 1.9 million, respectively.

The USR also contains information on the registered type of economic activity as provided by the enterprises themselves in the registration documents; this is based only on the intention of the enterprise to be active in this type of activity. Since this information does not always reflect the reality, the SSSU assigns – on the basis of the SBS results indicating where the main type of economic activity lies for the enterprise – the correct NACE codes in the RSU.

The RSU is updated on a daily basis with information from the USR. Additionally, to determine whether units are economically active, the RSU uses administrative information obtained each half-year from the Pension Fund and each quarter from the tax authorities.

Based on the different administrative sources, the RSU contains information on NACE, geographic location, number of employees, turnover and the institutional sector of the units.

A significant quality issue with the RSU concerns the coverage and quality of individual entrepreneurs. In principle, individual entrepreneurs have an obligation to register at the State Register Service. The coverage might be satisfactory, but experience has shown that the registered economic activity of these entities might differ to a large extent from their actual activity, and even the location may be incorrect. Individual entrepreneurs have a legal obligation to report to the SSSU.

However, the information on the economic activities of individual entrepreneurs - who often change their economic activity and location - can only be taken from the USR (self-declaration of the individual entrepreneurs). It is not possible to receive more accurate information from the tax authorities. This has, among other consequences, a negative effect on the quality of the NACE coding of such entities and on the corresponding statistical surveys. This deficiency seems to affect several parts of the statistical portfolio of the SSSU, because the RSU is used as a sampling frame throughout the office.

Access to micro-data from the tax authorities could help to update information on individual entrepreneurs but the tax law does not allow for the provision of such individual data. There is a need to bring the tax law in line with the statistical law – giving the statistical law primacy - and also to include specific provisions in the Law “On State Statistics” to give the SSSU the right to access other administrative data sources at the level of individual data.

In 2014 the SSSU started working on the demography of enterprises, and in 2015 it published two indicators - the numbers of newly created and closed enterprises. Work in this area will continue to produce additional indicators about the demography of enterprises.

Another area of future development is the identification of enterprise groups for the business register. The SSSU has prepared the methodology but needs additional staff to implement it.

Recommendations

The SSSU is encouraged to:

60. The Law “On State Statistics” needs to be revised to include stronger provisions on the right of the SSSU to access other administrative data sources existing in the country on the level of individual data. As a consequence, laws of the authorities governing such administrative data sources should be aligned with the Law “On State Statistics” (see recommendation 5).
61. The complete release of the SSSU of any kind of administrative tasks such as the provision of information on enterprises from the business register is a matter of priority for the reputation of the SSSU but also for freeing scarce resources in the SSSU to be allocated to statistical tasks.
62. The SSSU needs to be supported to identify additional resources in terms of human resources and training to obtain the necessary knowledge to work on enterprise groups and their coverage in the business register.

16.2 Structural Business Statistics (SBS)

Assessment

Structural business statistics is implemented according to European standards for an increasing number of its elements; this is true for the use of classifications, and increasingly the case for the reporting units and the indicators which are produced. The coverage of all kinds of enterprises is increasing as information from individual entrepreneurs is obtained from administrative data sources and increasingly included into SBS data but further work is needed; this applies especially for those sectors of the economy in which individual entrepreneurs play an important role. Work shall continue on improving the methodology and on enhancing the list of structural indicators in accordance with EU standards.

The use of financial reports from the enterprises as a supplementary source of information for control purposes, for determining the activity of enterprises and for the compilation of structural statistics indicators should be continued.

The SSSU has improved its linkage of SBS questionnaires with information from the accounts of enterprises and should continue its efforts to increase the use of accounting data for SBS purposes.

Description

Structural business statistics are produced by the Department of structural statistics and financial reporting of enterprises of the SSSU, comprising 26 staff in the Central Office, of which 10 employees work on structural business statistics. The major change compared to the previous global assessment is that the SSSU introduced a renewed structural business survey for the non-

financial sector; this is aligned with the EU SBS standards and allows the SSSU to produce all of the indicators required by the SBS for non-financial enterprises.

At present, SBS data are obtained through a structural survey for enterprises from the non-financial sector as well as the financial reports of enterprises and some specific branch-related surveys. Data for the SBS are obtained from administrative data sources for enterprises from the financial sector. Access to these administrative data sources is regulated by agreements with the National Committee for Financial Services (signed in 2014) for information on insurance companies and non-state pension funds; and with the National Bank (signed in 2014) for information on credit institutions.

The SBS uses the Classification of Economic activities (KVED in Ukrainian) based on NACE rev.2.

All large and medium-sized enterprises from the non-financial sector are obliged to fill in a complete (full) survey form; 80% of the turnover is covered through this survey. For small enterprises, a sample - covering around 20% of the enterprises, although the coverage differs from sector to sector - is taken, and these enterprises have to fill in a shorter questionnaire form only. The reporting unit of the structural survey is the enterprise; local units, local kind-of-activity units, and kind-of-activity units are observed when surveying medium and big enterprises through the long and complete form of the questionnaire.

Data sources for individual enterprises are mainly administrative data (revenues, expenditures, taxes, number of employees) from the State Tax Service. Data from these entrepreneurs are increasingly included in SBS data (e.g. number of enterprises, number of employees, volume of production) and in 2015 a methodology was developed to include data on individual entrepreneurs in all SBS data as required by the SBS regulation.

The methodology for producing SBS data for credit institutions and insurance companies provided the basis for producing data for the reference year 2014 using administrative data sources; the data are published on the website.

The structural business survey was revised in 2012 to collect data needed for the purposes of national accounts, the business register and branch statistics. The revision has helped to eliminate the duplication of indicators in the questionnaires and has also provided the basis for producing more indicators stipulated in the SBS regulation, such as “production value” and “value added at factor costs”.

In order to increase the quality of SBS data, the SSSU has introduced a link to accounting data to its questionnaires to make the corresponding data more visible to respondents. Furthermore, logical and arithmetic controls are built in to the data processing, and administrative data are used to check the existence and activity of enterprises as well as to correctly code the activity of individual entrepreneurs.

The SSSU has also embarked on testing the implementation of the SBS validation process, a methodology developed by Eurostat to increase the consistency of indicators produced through various business surveys. This approach has been tested on the 2014 data.

Quality reports on the current structural business statistics surveys have been prepared for each year since 2008.

Preliminary data are published in June following the reference year, and final data are published in October. Data are published according to the size classes of the SBS regulation (0-9, 10-49, 50-249, 250 and over) and in accordance with national size classes (large, medium, small, micro). Linked to the introduction of NACE rev.2 the SSSU also published SBS data for 2010-2011 in both versions of NACE (rev.1.1 and rev.2).

Based on the recommendations from the previous AGA, the SSSU implemented a user satisfaction survey in 2012 and used the results to extend the list of indicators produced and published. A new user survey is planned for 2016.

Recommendations

The SSSU is encouraged to:

63. Continue the full implementation of the SBS regulation by extending the scope and coverage of indicators, the continuous inclusion of data on individual entrepreneurs into the SBS data, and further work on improving the quality and consistency of the data.

16.3 Short Term Statistics (STS) including PPI

Assessment

Short-term industry statistics increasingly comply with European standards in terms of classifications, the scope of indicators, and timeliness. The index of turnover is not yet available in the breakdown by domestic and non-domestic markets.

Construction statistics also increasingly comply with European standards in terms of classifications used and the scope of indicators, but seasonal adjustment still needs to be introduced.

Trade statistics comply to a good extent with European standards, but seasonal adjustment needs to be introduced and the quality of the data could be improved through improved coverage of individual entrepreneurs.

Service statistics comply to a certain extent with European standards in so far as some data are compiled, but coverage and the methodology for data compilation need to be improved.

For producer price statistics, the compilation of producer price indices separately for industrial products for sale in domestic and foreign markets should be introduced.

Description

Short-term business statistics are produced by several departments of the SSSU, including the Department for Production Statistics, the Department of Price statistics, the Department for Trade Statistics, the Department for Services Statistics, and the Department of Labour statistics. At the state level (Central Office), 14 staff are involved in the area of short-term industry statistics, 7 staff in the area of domestic trade statistics, 5 staff in the area of services statistics, and 10 staff in the price statistics department.

Industry

The main indicators - such as the indices of industrial production, turnover and new orders - are produced in accordance with European standards. A considerable number of the indicators required by the STS regulation are produced, but for the index of turnover the breakdown by domestic and non-domestic markets is still missing.

The SSSU conducts two monthly surveys observing 20% of the economically active enterprises (partly including small enterprises and individual entrepreneurs) and providing coverage of 90% of the output by main products and by turnover. The remaining small enterprises and individual entrepreneurs are not covered by these surveys but have a very small share in the production and turnover; according to the tax authority data, individual entrepreneurs comprise 1.1% of industrial turnover.

Classifications of activities and products are harmonised with NACE rev.2 and CPA 2008 respectively. Data are collected and preliminarily validated and processed by the regional offices. Aggregations and validations are performed in the Main Inter-regional Statistical Office in Kiev. Final data validation and analysis are carried out by the SSSU (subject to revisions at a later stage) and data are published very quickly: between ten and twenty days after the reference months while turnover statistics are published between the twentieth and thirtieth day after the reference month. Seasonal adjustment was introduced from 2016 but only for the total industry; seasonal adjustment by MIGs still needs to be introduced.

Construction

A monthly survey is carried out among enterprises that are classified in section F “construction” of NACE rev.2. This survey covers 32% of the active enterprises and approximately 80% of the value of production in construction. The index of production is compiled on the basis of discrete data on the volume of work. Data are collected, validated and processed by the regional offices; the main aggregation and associated validation is the responsibility of the Main Inter-regional Statistical Office in Kiev. After data validation and analysis by the SSSU, final data (subject to revision at a later stage) are published 16 days after the reference period.

For building permits, the SSSU has received data from administrative sources since 2016.

To obtain information about the dwellings accepted to be put into service (production capacities), a quarterly survey covering dwellings (including new construction and reconstruction), is completed by legal persons, natural persons and entrepreneurs.

Internal trade

For retail and wholesale trade statistics, the SSSU uses NACE rev.2 and CPA 2008 and conducts a monthly sample survey of legal persons and a quarterly exhaustive survey. Individual entrepreneurs - who constitute a large population in the area of retail trade - are only covered by the monthly survey if they trade in fuel. For all other entrepreneurs the value of retail turnover is calculated on the basis of a census of these entrepreneurs carried out in 2005, using annual adjustments based on administrative data sources and other surveys. In order to improve data for individual entrepreneurs in the retail trade sector, a new methodology for calculating the retail trade turnover based on administrative data from the tax authorities has been developed; the SSSU is planning to implement this methodology in 2017.

Most of the indicators follow both the STS regulation and the UN recommendations.

Data collection, processing, quality control and dissemination for domestic trade are performed at national and regional levels. Data are published on the 19-20th day following the reference period for monthly surveys, on the 75-78th day for quarterly surveys, and after 4 months for annual surveys.

The SSSU has also started to perform seasonal adjustment on an experimental basis.

Services

Short-term statistics on services cover non-financial services. Some of the data collected correspond to European standards (turnover, number of employees) whereas other data do not, as they are collected and compiled to meet national needs. Data are collected on a quarterly basis through an exhaustive survey covering around 16,000 big and medium enterprises and around 64,000 small enterprises.

Employment data for short-term statistics are covered by a different department and are not integrated into the STS data collection. However, all of the indicators - such as number of

employees, wages and salaries and hours worked - requested in the STS regulation are covered in monthly and quarterly surveys.

Producer Price Index (PPI)

The scope and definitions of the PPI is in line with the recommendations of the “Producer Price Index Manual: Theory and Practice” (2004) by ILO, IMF, OECD, Eurostat, United Nations, and the World Bank. The PPI covers those industrial activities that are classified by sections C, D, E of the National Classification of Types of Economic Activity (KVED) and commodity groups corresponding to the Nomenclature of Industrial Products (NIP). PPIs are calculated for representative commodity groups, for types of economic activity, and for the industry as a whole.

The first step in the selection of products and enterprises is the choice of commodity groups which corresponds to the results of a sample survey among enterprises on the Register of Statistical Units. The enterprises for the price collections are selected by means of a stratified random sample; the sampling frame is the Register of Statistical Units. Finally, the list of specific products is chosen. The sample of products and enterprises is revised every five years. The list of products contains 1,080 commodity groups; prices are taken monthly from about 3,200 large, medium-sized and small enterprises.

The weighting scheme is derived on the basis of the production (output) volumes from industry statistics and structural statistics in the base year at different aggregation levels. Weight structures for the national PPI, for sub-indices for representative products, and for types of activity are compiled, as well as for specific products at the regional level. The weight structures are updated annually.

More than 15,000 prices are observed monthly. Prices are collected on the 20th day of the month for products intended for sale in domestic and foreign markets; the prices exclude value added tax and excise duty.

The calculation methods are in line with the recommendations of the PPI Manual. The lowest level indices are the ratio of the prices in the current and previous period. Procedures for the treatment of missing prices and for the replacement of goods follow international recommendations. The quality of data input and of the statistical results is checked by comparison with PPI indices of agricultural products, with tariffs of the National Electricity Regulatory Commission, and with the consumer price index. Quality adjustments are not applied.

The PPI is published monthly, within ten days of the reference month. The release calendar on the SSSU website indicates an approximate release date; the precise release date is announced in the release calendar no later than the end of the week prior to the data release. The PPI is published on the SSSU website and in the monthly express-release “Price Indices”; simultaneously, the media and all interested parties are informed by mail, e-mail or fax - about 40 addressees receive this information.

Documentation about the PPI is available on IMF’s SDDS website; this also includes a link to the PPI on the SSSU website.

PPI values are final and are not revised.

Construction price index

The methodology to produce the construction price index is based on the common principles of international practice and Council (EU) regulation No. 1165/98 dated May 19, 1998, subsequently changed and adjusted.

The index is calculated on a monthly basis based on a monthly survey which collects data on changes in prices for construction and assembly work. The quality of data is ensured through an annual revision of the weight structure and updates in the sample of organisations that perform construction work. The survey is conducted in all regions of Ukraine excluding the territories which are not under the effective control of the Ukrainian government (since January 2015) and the illegally annexed Autonomous Republic of Crimea and City of Sevastopol (starting with data for June 2014) on the basis of models for selecting representative dwellings chosen by type of buildings and structures.

Data on actual expenditure for construction work are used as weight coefficients to produce price indices.

Primary information is collected from respondents at the regional level. After finalising the data collection process, the accuracy and reliability of primary information is thoroughly checked. If necessary, additional checks are performed and any errors identified are corrected. If no prices for purchasing material resources are available then price data are imputed.

Price indices by type of building and structure are produced using an arithmetic weighted average. The price index for construction and assembly work is compiled using the Laspeyres formula.

Data on the construction price index are final and are not revised. They are released every month on the 35th day after the reference month in accordance with the release calendar and are available to all users at the same time.

Recommendations

The SSSU is encouraged to:

64. Continue the process towards an integrated system of short-term statistics in accordance with the indicators as requested by the EU regulation. This concerns e.g. the production of the index of turnover in industry and the index of producer prices for the domestic and non-domestic markets, as well as introducing the new methodology for the calculation of the retail trade turnover taking into account the activity of individual entrepreneurs based on data from the fiscal service.
65. Extend the application of seasonal adjustments to certain indicators in industry statistics and to start applying seasonal adjustments in construction and trade statistics. Using producer price indices for construction materials for the calculation of the construction price index could improve its quality.

16.4 Production of Manufactured Goods (PMG)

The survey includes around 5,000 industrial products and represents approximately 95% of Production. Data are collected for NACE rev.2 section B (without group 09), C, and D (group 35). The survey is implemented in accordance with the methodology developed in 2012.

Classifications used are NACE rev.2, CPA 2008 and PRODCOM.

The PRODCOM survey is broadly in line with EU standards for the classification itself and for the indicator of *volume* of production, but not all of the data for the indicator of the *value* of production are produced yet.

Electronic data collection has been introduced.

Data are disseminated in accordance with the release calendar on the website.

Recommendations

The SSSU is encouraged to:

66. Update the survey list in accordance with PRODCOM-2016 and to implement an improved data collection to obtain more complete information on the value of production.

Chapter 17: Social statistics

17.1 Population Register

A national population register does not currently exist in Ukraine. However, there are discussions in the Government about the creation of such a register; if the Government does decide to establish one then it will be very important for the SSSU to have access to its data for statistical purposes. This should be taken into account in the revision of the Law “On State Statistics”, and also in the planning, design, and technical implementation of the new register.

Recommendations

67. In the event that a national population register be developed, the Government should ensure that the SSSU is involved in the discussions on the set-up and has access to register data for statistical purposes.

17.2 Demographic Statistics

Assessment

Since no population census was carried out in the 2010 round, the base on which the population is calculated is very old (the 2001 census). This problem is particularly serious considering the important changes in the size, structure and distribution of the population that have taken place in the country, particularly in the Eastern regions, in the last few years.

There is an undercount of changes of residence, since many citizens do not declare their change of residence. Moreover, a new law on the registration of the place of residence entered into force in April 2016, but the transition to the new system seems to be quite problematic. With the new system, the registrations of change of residence have to be done in local community administrations, instead of rayon offices under responsibility of the migration service as it was the case before. However, many of these new centres were not ready, particularly in large cities. Data should be transmitted electronically, but the necessary software was not developed, and internet coverage and skilled personnel are not always available. A transition period of two months was planned, but more time may be needed to set up the new system and produce reliable statistics.

Description

As there is no population register in Ukraine, the main sources of data on demographic statistics are the population census and administrative data on births, deaths, changes of residence, marriages and divorces. There are discussions about establishing population register (see above). Currently a “unified demographic register” exists, but it includes only some population groups (e.g. those who requested a passport, or those in prison). This could be developed in the future to become a complete national population register with a unified code, but legislation would be required.

In the period between censuses, the SSSU estimates the size and distribution of the population of Ukraine based on data from the last census and administrative data about the civil registration (Ministry of Justice data) of births and deaths (including cause of death, recorded by health

workers), and on the registration/deregistration of individuals' place of residence (data from the State Migration Service of Ukraine). Notable issues include:

- Census - since no population census was carried out in the 2010 round, the base on which the population is calculated is very old (the 2001 census). This problem is particularly serious considering the important changes in the size, structure and distribution of the population that have taken place in the country, particularly in the Eastern regions, in the last few years.
- Registration of births – A new system is being introduced for the registration of births, allowing birth certificates to be issued directly by hospitals. But the implementation of this new system seems to be problematic, and it is not clear when it will enter into force.
- Change of residence - forms are filled on the registration/deregistration of residence - the only complete source of information on the change of permanent residence, both within the country and international migration – but the current approach does not cover all actual movements as many citizens do not officially declare the change of their place of residence. Moreover, a new law on the registration of the place of residence entered into force in April 2016, but the assessment team was told that the transition to the new system was quite problematic. Under the new system, registrations of change of residence have to be done in local community administrations, instead of rayon offices under the responsibility of the migration service as it was before. However, many of these new centres were not ready, particularly in large cities. Data should be transmitted electronically, but the necessary software was not developed, and internet coverage and skilled personnel are not always available. A transition period of two months was planned, but more time may be needed to set up the new system to produce reliable statistics.

It is difficult to assess the quality of the data on births, deaths, marriages and divorces, since only data from administrative sources are available, and there are no other sources that can be used for a comparison (for instance, a recent population census).

Administrative data are processed in full, with no use of sampling methods.

Administrative data are provided to the territorial bodies of state statistics on paper. Then, data are processed in the territorial bodies, aggregated in electronic form, and transmitted to the SSSU, where data are produced for the country as a whole.

Recommendations

The SSSU is encouraged to:

68. Support the implementation of the new law on the registration of the place of residence in force since April 2016 (competence transferred from Migration Service to local community administrations and city centres) in order to reduce the time necessary for the transition to the new system.

17.3 Population and Housing Census (previous/next one)

In 2008, the next census was planned for 2011. The preparatory activities started and progressed. However, due to constant under-financing of preparatory work and the lack of funds for its implementation in the state budget, the government repeatedly decided to postpone the census - to 2012, 2013, 2016 (at that time census questionnaires were printed and everything was ready), and eventually to 2020.

The generic plans to conduct a population census in 2020 include taking as much advantage as possible of the preparatory work that was undertaken for the 2010 census. The SSSU is considering the possibility of an internet response option, and the use of tablets by census interviewers.

However, there are no specific plans, concepts, or even a tentative timetable for the next census that have been officially approved. There is no budget at the SSSU for preparatory work for a 2020 census.

Recommendations

The SSSU is encouraged to:

69. Start technical preparations for the next population census, taking into account the new CES recommendations for the 2020 census round.
70. Prepare a tentative timetable of the activities needed to prepare and conduct the 2020 census, with an estimate of the relative costs, and engage with the government about the allocation of appropriate resources stressing the need to conduct the preparatory activities well in advance of the census.

17.4 Labour Market Statistics

Assessment

SSSU's suite of labour market statistics is broadly sound, and its planned activity to enhance compliance with international standards seems reasonable. The development of quarterly labour cost indices will require negotiation to obtain access to the administrative data it requires.

Description

Labour Market Statistics are the responsibility of the SSSU department for Labour statistics, which comprises 22 people. Labour market statistics are drawn from the following sources:

- Labour Force Survey (private households);
- Structural Earnings Survey (enterprises);
- Labour Costs survey (enterprises);
- Administrative data on the registered unemployed.

The quality of SSSU's sources of labour market statistics is managed and reported in the following ways:

- Labour Force Survey (LFS):
 - The SSSU provides training for experts in territorial state statistics bodies in the way that the LFS is conducted.
 - A system of control is used to ensure quality when data are entered and processed, and assessments of data quality are undertaken.
 - Reports about the quality of observations of the economic activity of the population are placed on SSSU's website.
- Structural Earnings Survey (SES):
 - Based on the survey results, a series of quality reports are prepared, including the standard report on data quality.
- Identification and evaluation of new sources:
 - The SSSU told the assessment team that the methodology and reporting documentation associated with the collection and use of administrative data (article 16 of Ukraine's law on the state statistics, N2614-XII of September 1992) are being reconciled.

The SSSU monitors the legal framework for labour market policy with a view to identifying possible new sources of data.

The production and dissemination arrangements for the main sources of labour market statistics are as follows:

Labour Force Survey (LFS)

The survey methodology is based on the main concepts and definitions of the International Labour Organization, and the provisions of EU regulations (March 1998, No. 577) on the organisation of the labour force survey in the Community. It also takes into account national specificities.

The LFS sample is drawn from the nation-wide territorial probability sample of non-institutional households. In 2014-2018, the sampling frame in urban settlements is based on material prepared for the (subsequently cancelled 2010) Ukrainian population census, while in rural areas the rural household register is used.

Households are selected from the sampling frame using stratified multi-staged selection and the formation of rotation groups at the same time. According to the rotation scheme, every household remains in the sample for 15 months and is visited 6 times: a monthly interview is conducted during the first three months, followed by a break for 9 months and then a further series of monthly interviews in each of the final 3 months.

The survey covers the whole territory of the country apart from the first and second zone of contamination due to the Chernobyl nuclear plant disaster and, since 2014, the occupied territories of the Autonomous Republic of Crimea and the city of Sevastopol.

In 2014-2015, 16,000 households were selected every month. In 2014, the household participation rate was 83.2% - in urban settlements it was 76.3% - while in rural areas it was 92.5%.

Data are collected by 931 interviewers - permanent employees of the territorial state statistics bodies. They survey the population aged 15-70 at the place of their permanent residence. Information is collected on paper questionnaires.

The survey collects the basic indicators of economic activity of the population by social and demographic characteristics, employment status, type of economic activity, cause and duration of unemployment, etc.

The survey reference week – i.e. the period about which information is collected – is the week that includes the 15th day of every month. Based on the data from the monthly surveys, results are published for each quarter, half year, 9 months, and full year (on the 84th day after the reference quarter).

Data of the basic indicators of economic activity are revised if there are changes to the survey's methodology, and according to population census results; the latest revision of data was in 2005. The basic indicators of economic activity of the population for 1999-2003 were recalculated to align them with the estimates of the population from the 2001 Ukrainian population census. Survey information can also be recalculated as a result of exceptional circumstances. In particular, in 2014 there were recalculations of information for 2010-2013 for the basic indicators of economic activity to exclude the Autonomous Republic of Crimea and the city of Sevastopol, in order to provide consistent time series.

Since the previous assessment, the SSSU has made a number of improvements to its labour market statistics drawn from the LFS:

- improvements to the LFS sampling frame, drawing on work undertaken in preparation for the 2010 population census;
- improved sub-regional estimates (at the level of the rayon, and main cities), based on a new approach conducted initially in five pilot regions and now being rolled out across Ukraine;
- newly published estimates of informal employment, derived from questions added to the LFS in 2014;
- the incorporation of ad hoc modules: on migrant labour, in 2012, as part of a joint project with Eurostat and the ILO, with the results published on the website; and on child labour, in 2014 – a draft report has been sent to the ILO.

Structural Earnings Survey (SES)

Following a recommendation in the previous assessment, a SES (the national title is “Workers' wages rate by sex, age, education and occupational groups”) was conducted in 2013, with support from Statistics Finland and Statistics Denmark.

The methodology to organise and conduct the survey is based on (EU) Council Regulation No. 530/1999 dated March 1999 regarding structural statistical data on income and labour costs, as well as regulations that introduce and update it.

A sample was conducted of enterprises with 10-249 employees, while all enterprises with 250 or more employees were covered. Once the list of enterprises has been compiled, a sample of employees is drawn.

The procedure to carry out the observation is defined by the relevant methodological provisions approved by the SSSU decree No. 553 of December 2012.

The assessment team was told that the SSSU has worked to meet Eurostat's requirements, and also to explain the results to users.

Labour Costs Survey (LCS)

The source of information on expenditure for the labour force is the statistical survey “Expenditure of enterprises for keeping labour force” which has been undertaken every four years since 2007. The methodology to organise and carry out the observation is based on EU Regulation No. 530/1999 of March 1999 regarding structural statistical data on the income and costs of the labour force, and other regulations.

The survey is organised based on a combined approach, according to which the population of enterprises that employ 250 persons or more are completely enumerated, while the population of enterprises that employ from 10 to 249 persons inclusive are sampled using a stratified random selection.

The observation unit is the local unit. The total population of units is formed on the basis of the Register of Statistical Units, which is updated annually with information about enterprises received during the conduct of the survey itself.

The procedure to carry out the survey is defined by the relevant methodological provisions approved by the SSSU decree No. 22 of February 2014.

The most recent LCS was conducted in 2015, collecting information about 2014, and the results are published on the SSSU website.

The previous assessment noted that the SSSU was planning to develop quarterly labour cost indices. The SSSU told the assessment team that it was looking to do this on the basis of the

State Fiscal Service's administrative data on the Social Fund, in order to avoid adding to the survey burden on enterprises. However, although the SSSU has the legal right to receive these data, the State Fiscal Service's legislation allows the data to be passed only to the Pensions Fund.

Administrative Sources

No data can be taken from any administrative data source. If the corresponding access were given, the State Fiscal Service data could be used.

At the time of the assessment, the SSSU was planning a series of developments to its sources of labour market statistics:

- improvements to the methodological basis of the LFS, and the classification and analysis of the basic labour force indicators, according to the Resolution on statistics of labour activity, employment and labour force underutilisation adopted by the 19th International Conference of Labour Statisticians (October 2013);
- to bring the system of labour force survey indicators into compliance with EU Regulation No. 577/1998 on the organisation of the labour force survey in the Community;
- the SSSU intends that the 2017 SES should be completely consistent with ESS requirements, and that to do so it will make more use (than in 2013) of administrative data, such as tax registers;
- the SSSU also intends to undertake further work (based on the reconciliation of 2013 SES data and LFS data) to improve the quality of estimates, particularly for those enterprises with less than ten employees and single traders. Again, this will require greater use of administrative data;
- the SSSU will make use of the planned changes to the statistical law to obtain access to administrative data from the State Fiscal Service in order to test and implement the calculation of an index of labour costs.
- In 2016, the SSSU is planning to undertake a survey of users to explore their satisfaction with statistical information about labour costs, and to prepare a standard report on survey quality.

Recommendations

The SSSU is encouraged to:

71. Review LFS standards and guidelines, consistent with the changes agreed at the (most recent) International Conference of Labour Statisticians.
72. Adopt Eurostat definitions of indicators derived from the LFS.
73. Ensure that the 2017 Structural Earnings Survey is completely consistent with ESS definitions, by using a wider range of administrative data.
74. Explore and publish further information about the quality of earnings statistics, based on work to reconcile SES and other relevant data sources.

17.5 Living Condition Statistics

Assessment

The household living conditions survey (HLCS) undertaken by the SSSU does not fully follow the European survey of income and living conditions (EU-SILC).

The SSSU is planning to use a twinning project and to seek EU funding to strengthen the alignment of its living condition statistics with the EU-SILC. It has explored the implications for

the current HLCS questionnaire, but concluded that the additional questions would lengthen the current questionnaire by 30%. Instead, it is considered introducing a new survey to meet the needs of EU-SILC, as well as implementing other European surveys covering household budgets, population health survey (EHIS) and ICT. As part of this expansion of its survey operations, the SSSU told the assessment team that it will seek to make greater use of CAPI; it currently lacks resources to buy computers for interviewers.

Description

The Ukrainian household living conditions survey (HLCS) is conducted on the basis of Resolution No. 1725 of the Cabinet of Ministers of Ukraine of November 1998, on the conduct of the household living conditions survey (with changes and supplements made by resolutions No. 1663 and No. 1257 of the Cabinet of Ministers of Ukraine of September 1999 and August 2002).

The HLCS is the responsibility of the SSSU's department for household surveys. HLCS issues - the preparation, processing, analysis, and dissemination of the HLCS data - are dealt with by 15 of the 24 persons working in this unit. At the regional level, 931 interviewers collect information on the HLCS issues; the interviewers also work on SSSU's other household surveys. It is not possible to estimate the number of specialists in the regions who process, analyse and disseminate data from household surveys due to the introduction (in 2015) at the regional level of the process-oriented approach to statistical information production and the organisation of statistical activity in line with the GSBPM.

The SSSU conducts three regular sample surveys of households:

- household living conditions;
- economic activity of the population; and
- agricultural activity of the population in rural areas.

The sample design of these surveys is interrelated: the surveys have a common territorial sample and are conducted by a common network of interviewers. The sample surveys of households are undertaken using different networks of respondents. The territorial sample represents all Ukraine's regions.

In order to form the sample frame, the population census materials are used and (if outdated) other information sources - administrative data from public authorities, local authorities, and other legal persons. To conduct the cycle of household surveys in 2014-2018, the materials prepared for the previous (cancelled) Ukrainian population census were used: "Compilation of quarterly lists of residential dwelling and premises in other buildings in urban and large communities and lists of rural communities to take Ukrainian population census". The lists are checked (updated) in the field before the sample is formed.

The three surveys are carried out on the basis of stratified, multi-staged probability samples. The territorial sample is updated every 5 years; household samples for every survey are updated every year. In urban areas the procedure to form the sample consists of three stages, and in the rural areas of two stages. The territorial sample for 2014-2018 has been optimised to enhance the reliability of poverty estimates by region. All household addresses have an equal chance of being selected.

The HLCS survey covers all households apart from the institutional population (army conscripts, people constantly living in medical establishments and care homes, homes for the aged, etc). The territories contaminated due to the Chernobyl disaster are also excluded. Since 2014, the survey has not been undertaken in those parts of the country, which are not under effective control of

Ukrainian Government – that is, excluding Crimea, the city of Sevastopol, and those parts of the Donetsk and Luhansk regions where there is an unacceptable risk for interviewers.

The HLCS collects information using diaries and questionnaires, on the following topics:

- I. The general characteristics of households (composition, education, housing conditions);
- II. The expenditure and income of households;
- III. Thematic modules:
 - a self-assessment of health status by household members (every year);
 - the availability of consumer durables in households (once every two years);
 - households' access to selected goods and services (deprivation questions) (once every two years);
 - a self-assessment by households of their income (every year);
 - households' access to the internet (every year);
 - the population's assessment of the effectiveness of Ukraine's social support programme (once every five years).

Households participate in the HLCS for one year and then the whole frame of respondents is completely changed. The questionnaires are filled in by the interviewer, while the diaries for current expenditure are filled in by respondents according to a special rotation scheme. The data are verified visually by the interviewer when the diary is received. Subsequent quality checking (logical and arithmetical controls) takes place in the regional offices; corrections are made after refinement of data with the relevant households. Any problematic data not corrected by households are passed to the central level for their adjustment and further processing using mathematical methods (cleaning, imputation). To ensure the quality of data collection there is a continuous system for controlling the quality of interviewers' work using mail, telephone, and follow up visits to households.

The annual sample comprises 13029 households. Excluding households in Crimea and the city of Sevastopol as well as territories which are not under effective control of the Ukrainian government, the sample is 12228 households. Around 80% of households agree to participate in the survey (77.7% in 2014, 82.7% in 2013, and 77% in 2015). The tables below show household response rates for the three surveys being conducted by the State Statistics Service of Ukraine – firstly between 2012 and 2014-5, and secondly (for 2014-5) by region.

Rate of households' participation in the sample survey of the population (households) in 2012-2015

	Rate of households' participation in sample survey on						%
	household living conditions	the economic activity of population (Labour Force Survey)	agricultural activity				
			I Q	II Q	III Q	IV Q	
2012	82,5	84,4	95,8	96,3	96,4	96,3	
2013	82,7	85,1	96,2	96,4	96,5	96,4	
2014	77,7	83,2	96,1	96,3	94,7	93,4	
2015	77,0	83,6	92,4	95,1	95,8	95,6	

Rate of households' participation in sample surveys of the population (households) in 2015

%

	Rate of households' participation in sample survey on					
	household living conditions	the economic activity of population (Labour Force Survey)	agricultural activity			
			I Q	II Q	III Q	IV Q
Ukraine	77,0	83,6	92,4	95,1	95,8	95,6
Vinnytsya	81,8	83,3	95,9	97,4	98,1	98,1
Volyn	85,1	89,6	99,2	99,0	98,9	98,7
Dnipropetrovsk	73,5	76,6	93,8	94,5	94,7	94,7
Donetsk ¹	61,4	68,9	44,7	80,2	89,1	89,1
Zhytomyr	72,3	91,4	94,7	94,5	94,6	94,2
Zakarpattia	79,6	83,5	99,2	98,9	98,8	98,8
Zaporizhzhya	74,5	89,6	97,4	96,5	96,2	96,2
Ivano-Frankivsk	95,1	89,7	98,8	99,0	99,0	98,8
Kiev	65,9	86,7	97,1	96,3	96,0	95,9
Kirovohrad	76,9	81,5	93,5	93,3	93,1	93,0
Luhansk ¹	63,9	73,7	51,6	81,5	89,6	89,4
Lviv	92,2	92,1	98,8	98,5	98,3	98,3
Mykolaiv	84,6	88,2	99,4	99,1	99,0	99,0
Odesa	52,4	84,9	93,7	94,4	94,7	94,6
Poltava	86,7	89,8	94,3	94,4	94,4	93,8
Rivne	94,0	96,1	100,0	100,0	100,0	100,0
Sumy	93,4	91,0	97,0	93,2	92,0	91,9
Ternopil	95,2	87,2	99,0	99,5	99,7	99,6
Kharkiv	83,6	82,1	95,2	95,2	95,2	95,2
Kherson	88,7	83,6	98,2	98,1	98,1	98,1
Khmelnyskiy	89,1	82,8	93,6	94,8	95,1	94,7
Cherkasy	90,1	90,9	98,9	99,5	99,7	99,6
Chernivtsi	93,9	95,6	97,6	96,7	96,4	96,4
Chernihiv	90,1	96,3	90,6	91,2	91,3	90,7
city of Kiev	49,2	57,4				

¹ Excluding territories which are not under the effective control of the Ukrainian government.

The rate of participation in the household living conditions survey is relatively high compared to similar surveys in other countries. At the same time, the participation rate in Kiev is rather low: approximately 50%. This factor is taken into account while calculating the primary size of sample.

Basic information – size of household, number of children – is collected at the interviewers' first contact with the household, or from neighbours. The assessment team was told that young people are less likely to participate in the surveys, and the effects of their non-response are compensated for by the surveys' weighting methods. In addition, the SSSU is launching the use of other sources (such as national accounts, and aggregate information from the State Fiscal Service) for additional evaluation of their indicators.

Demographic statistics on the size and age/sex composition of the resident population as of 1st January every year, and data on the population in institutional establishments, are used to calculate and calibrate a system of statistical weights to ensure that the HLCS results are representative for the total population (all Ukrainian households).

The SSSU monitors changes to Ukraine's normative and legal base, particular relating to the availability of databases holding information about the population. When considering new sources, SSSU experts analyse their potential by looking at different aspects of quality – for example, the acceptability of the methodology, possible errors, and existing limitations.

To improve the quality of the main HLCS indicators, the SSSU tests models which draw upon external information - data from national accounts, labour market statistics (particularly about the distribution of employees by wage levels), and information from the State Fiscal Service (SFS) about two of Ukraine's regions (the city of Kiev and the Kharkiv region). The incorporation of these SFS data produced unexpected results: in particular the share of households with income below the subsistence minimum has increased. According to the SSSU's analysis, this is due to the small sample size at regional level used to assess the absolute poverty in line with the following criterion - income below subsistence minimum. The SSSU also noted that there have been difficulties obtaining the SFS data; earlier negotiations were unsuccessful and the SSSU is planning to approach the SFS in 2016.

All reports containing HLCS results provide information about the reliability of the main indicators. These are complemented by quality reports, which include information about the use of the external data sources referred to above and about the characteristics of non-respondent households. Data are disseminated in relation to the total population using weights which are calculated on the basis of statistical and mathematical methods. Details of all methodology used for the HLCS are published on the SSSU website.

Recommendations

The SSSU is encouraged to:

75. Implement plans to revise the household surveys to enable the production of living conditions indicators that are fully consistent with European standards.
76. Explore relevant European member states' experience of implementing SILC, including the calculation of weights appropriate for longitudinal panel surveys.

17.6 Education Statistics

Assessment

The current organisation in the field of education statistics as conducted by the SSSU and the Ministry of Education and Science of Ukraine does not seem optimal, and a centralisation of data collection on education statistics could be envisaged to ensure common statistical principles with

regard to data collection, processing and analysis. It seems preferable to transfer all responsibilities for education statistics to the Ministry of Education and Science.

Description

The SSSU reported on the activities conducted in the field of education statistics by the SSSU and the Ministry of Education and Science of Ukraine.

The SSSU is responsible for collecting a number of forms related to pre-school institutions, higher institutions and postgraduate schools.

The Ministry of Education and Science of Ukraine covers secondary education and vocational schools.

Data on educational attainment of the population are obtained when conducting the population census (see the section on the population census, above).

At all levels of processing (regional, national), after the forms of the statistical surveys have been received from respondents, they are analysed, and entered into the relevant statistical information processing system. Logical and arithmetical checks are made while entering and processing the data (both input and output data sets). Administrative data from the Ministry of Education and Science of Ukraine are checked by comparing data with those for the previous reference period.

Every year the SSSU participates in completing the questionnaires from the UNESCO Institute for Statistics (UIS). A majority of indicators on education statistics fully meet European standards and the UIS questionnaires which are the main source of the data on education submitted to Eurostat.

The partial discrepancies of indicators with the UIS questionnaires are as follows:

- 1) the absence of an age/sex distribution of those enrolled for the first time at the higher education institutions;
- 2) the absence of an age/sex distribution of graduates;
- 3) the absence of a gender split of pupils repeating a grade/class;
- 4) the absence of the following information about teaching staff in secondary education institutions:
 - a) teachers of 5-11 grade classes (pupils aged 10/11 to 17/18) by first and second stage of secondary education;
 - b) education and qualification level, by gender.
 - c) teachers of vocational education institutions by education, qualification and gender.

The preparation of quality reports on education statistics is envisaged for 2016-2017.

The current organisation does not seem optimal, and a centralisation of education data collection would help ensure the application of common statistical principles with regard to data collection, processing and analysis. It seems preferable to transfer all responsibilities for education statistics to the Ministry of Education and Science.

Recommendations

The SSSU is encouraged to:

77. Develop methodologies on statistics of vocational training and lifelong learning, jointly with the Ministry of Education and Science of Ukraine, to fulfil EU requirements on education statistics.
78. Take steps to centralise the data collection on education statistics in the Ministry of Education and Science to ensure the application of common statistical principles with regard to data collection, processing and analysis.
79. Add (currently missing) indicators from the UIS questionnaires to the survey forms and administrative reporting of the Ministry of Education and Science.

17.7 Health Statistics

Assessment

Health statistics are produced by the SSSU, the Ministry of Health, the Ministry of Justice, and other ministries. The main issue is the plan to use administrative data from various sources to produce statistics on occupational injuries, replacing the current questionnaire. This should result in reduced costs for the SSSU and reduced burdens on respondents.

Description

The SSSU reported on the activities conducted in the field of health statistics by the SSSU, the Ministry of Health, the Ministry of Justice, and other ministries.

The SSSU is responsible for collecting data on occupational injuries. The Ministry of Health of Ukraine is responsible for collecting information regarding the network of health facilities and morbidity of the population.

The Ministry of Justice is responsible for data on births and deaths which are then passed on to the SSSU and the WHO.

Data on disability are collected in cooperation with the Ministry of Social Policy, the Ministry of Health, the Ministry of Education and the Pension Fund of Ukraine, on the basis of bilateral agreements.

In the field of medical statistics, the SSSU cooperates with the Ministry of Health on the basis of an agreement signed in 2014.

Information on the public's self-assessed health status is collected within the framework of the multipurpose household living conditions survey in Ukraine.

For **occupational injuries**, at all levels of processing (regional, national), after the forms of the statistical surveys have been received from respondents, they are analysed, and entered into the relevant statistical information processing system. Logical and arithmetical checks are made while entering and processing the data (both input and output data sets). Data are checked by comparing data with those for the previous reference period.

Data on **occupational injuries** partially meet the requirements of the EU Commission Regulation 349/2011 of April 2011, since in the EU countries information is collected about individuals while in Ukraine the focus of data collection is the enterprise (legal persons). That is why there are no indicators on individual characteristics, namely: age, the date of the accident resulting in the injury, the position of the injured, and the part of the body having been injured. Ukraine collects indicators on the numbers of those injured at places of work with breakdowns by sex, fatal cases, by type of accident resulting in injury. Data are classified by the KVED.

For statistics on health care and disability, administrative data from the Ministry of Health, Ministry of Social Policy, Ministry of Education and the Pension Fund of Ukraine are checked by comparing the reported data with the data for the previous reporting period.

Administrative data from the Ministry of Health are produced on the basis of International Classification of Diseases, 10 revision (ICD-10).

The SSSU told the assessment team that they plan to use administrative data from to organisations - the Fund of Social Insurance against Accidents and Occupational Diseases of Ukraine, and the State Service for Mining Supervision and Industrial Safety of Ukraine - with regard to statistics of occupational safety. As a result, they plan to cancel the form of the statistical survey No. 7-tnv (annual) “Report on Occupational Injuries”. For this change, it will be necessary to make changes to national legislation, and a new agreement with the data providers will be required. The assessment team welcomes this greater use of administrative data, which should result in reduced costs for the SSSU and reduced burdens on respondents.

With regards to mortality tables and life expectancy, the SSSU plans to recalculate the data after the next population census is conducted.

Recommendations

The SSSU is encouraged to:

80. Continue to implement planned developments, including the use of administrative data on occupational injuries to replace the survey on “Report on Occupational Injuries”. This change would reduce burden on respondents and reduce costs for the SSSU.

Chapter 18: Agricultural statistics

18.1 Farm Register

Assessment

The SSSU’s farm register – known as Register AGRO (the register of agriculture producers) - contains information on the statistical units of agriculture, hunting, forestry and fishery and is the basis for conducting statistical surveys in agriculture. Households, meeting the criteria of the concept of agricultural holding, determined by the European Regulations for conducting structural surveys in agriculture, are not included.

Registration of other units in the Register AGRO (except for the local councils) is done according to established criteria.

The Register AGRO is used for identification, demographic and reference indicators and statistics necessary for the organisation of statistical surveys (the area of agricultural land, including arable land, the number of employees and the number of livestock).

The SSSU plans to improve the procedure for updating the Register AGRO and to change the frequency of updating it from twice to once a year (1 November).

Description

The Register AGRO, which contains information on the statistical units of agriculture, hunting, forestry and fishery, is the basis for conducting statistical surveys on agriculture in Ukraine.

The SSSU - at central and regional levels - is responsible for maintaining AGRO.

The legal basis for the register is determined in the Law “On Farm”, and SSSU decree No. 278 of July 2012, on the approval of regulations on the register of statistical units in agriculture, hunting, forestry and fishery.

Financial resources come from the State Budget of Ukraine for the tasks and functions carried out by the SSSU. Human resources are as follows - at the central level there is 1 person, who also performs other functions; at the regional level there are 25 specialists who also perform other functions.

The register AGRO consists of two parts: enterprise and the local councils, which include rural areas. The first part (enterprises) consists of three modules: specialised enterprises, non-core businesses and local units. The second part contains summary information about rural households in the context of rural settlements. In total, AGRO contains about 90,000 records.

Households meeting the criteria of the concept of agricultural holding, determined by the European Regulations for conducting the structural surveys in agriculture, are *not* included.

AGRO is updated when units need to be selected for the statistical surveys on agriculture, hunting, forestry and fishery. In the past it has been updated twice a year (in June and November), but from 2016 it will only be updated in November each year.

The sources of information underpinning AGRO are the Unified State Register of Enterprises and Organizations of Ukraine (USREOU), the Register of Statistical Units (RSU), the statistical surveys on agriculture, hunting, forestry, fishery, the structural business survey, and administrative data. The information included in AGRO from the statistical surveys on agriculture includes:

- The area under the cultivation of crops;
- State of livestock;
- Report on the main economic results of the activities of agricultural enterprises;
- The main indicators of economic activity of farms and small business in agriculture.

The quality of AGRO data is checked by comparison with the corresponding data from USREOU, the RSU and the data from agricultural surveys.

New data sources are determined based on the need for information to select the statistical units in agriculture, forestry and fishery. If a new administrative data source becomes available, the methodology of the production of these data is studied and analysed. If the data are reliable, the SSSU signs a contract about information exchange with the data producer.

AGRO uses the following classifications:

- Classification of Types of Economic Activity (KVED-2010);
- Classification of Organizational Forms of Entities (KOF);
- Classification of Administrative and Territorial Division of Ukraine (KOATUU).

The accuracy and reliability of the data provided by AGRO is based on the use of the administrative data KOATUU, which are obtained directly from the companies and surveys.

Standard quality reports are placed on the SSSU website.

Recommendations

The SSSU is encouraged to:

81. Change the coverage of the Register AGRO to be based on individual units and seek to supplement it with households that meet the criteria of the concept of agricultural holding (using data from the agricultural census).

18.2 Agricultural Statistics

Assessment

Agricultural statistics are broadly in line with European standards; European methodologies and guidelines are used. Agricultural price statistics, agriculture economic accounts, crop and animal production statistics are prepared and published. Agricultural statistics take into account the production of agricultural products in two categories of producers: agricultural enterprises (legal entities), which produce 55% of agricultural production, and households (45%). Methodologies, meta-descriptions and quality reports for users of statistics are published on the SSSU website.

Description

The Commission Regulation (EC) 138/2004 of the European Parliament and of the Council dated December 2003 - on the economic accounts for agriculture in the Community and Commission Regulation (EC) 212/2008 of March 2008, amending Annex I to Regulation (EC) 138/2004 of the European Parliament and of the Council on the economic accounts for agriculture in the Community – are the basis of the compilation of economic accounts for agriculture. Ukraine's agricultural statistics are broadly in line with European standards, and European methodologies and guidelines are used.

The SSSU's Department of Agriculture and Environment Statistics is responsible for the preparation of agricultural price statistics, agriculture economic accounts, crop production and animal production statistics. Soil, land cover and land use statistics are prepared by the State Service of Ukraine on Geodesy, Cartography and Cadastre. The Ministry of Economic Development and Trade and the SSSU prepare a report on food security.

Agricultural production is crop and animal products obtained from agricultural crops and the use of agricultural livestock. It also includes volume changes in incomplete crop production, the volume of perennial plants over the year, and livestock and poultry growth as a result of breeding and feeding. The production is estimated at constant (2010) prices, calculated as average weighted prices for the marketable and non-marketable part of agricultural production.

An agricultural enterprise is a business entity - a legal person, or an independent unit of legal persons - that performs systematic economic activity in agriculture. A private farm is a type of citizen's business activity - a legal person who wishes to produce agricultural products and be engaged in processing and selling to earn profit.

Agricultural holdings of households are households engaged in agricultural activity for producing foodstuffs for their own needs and for producing marketable products. This category of producers includes natural persons (businessmen) who operate in agriculture.

Financial resources come from the State Budget of Ukraine for the tasks and functions carried out by the SSSU. Human resources are as follows: at the central level there are 19 specialists, and at the regional level there are about 1,250 specialists who are engaged in the collection and preparation of statistical data.

The annual statistical survey on agricultural production covers all agricultural enterprises (about 56,000), while the monthly surveys cover only large and medium-size enterprises (about 17,500). Small enterprises (with less than 100 hectares of farmland) are sampled monthly, collecting indicators about crop and livestock production.

For households, the gross yield of grain crops is calculated on the basis of administrative data on land areas, the inventory of the size of the acreage cultivated, and data on the average yield per hectare of crop area and the structure of crop area.

About 12 million households (including 5.5 million in rural areas) are engaged in agricultural activities. The SSSU performs monthly calculations on the main indicators of agricultural production using data from periodic censuses, a monthly sample survey and administrative data. The State statistics agencies collect information on crop production (including on reclaimed land) and livestock, on the area under crops, on the number of farm animals, on the volumes and prices of agricultural products, on the time of their submission for processing, on the stocks of crop production, on the fertilisers, on the availability of agricultural equipment, and a balance sheet of major agricultural products for economic accounts in agriculture.

In 2015, 17 statistical surveys were carried out on agriculture. A total of 24 statistical reporting forms (questionnaires) were used in these surveys, of which 14 were annual, 1 semi-annual, 2 monthly and 7 quarterly: 2 forms for livestock, 6 for agriculture, 8 for agricultural products and their submission for processing, and 8 for other aspects of agricultural statistics.

In 2016, 14 statistical surveys are expected to be conducted and 20 reporting forms will be used.

The sample survey on agriculture households (sample - about 29,000 or 0.5% of the total in rural areas) is carried out with two forms: basic and monthly. The basic form asks about household resources, while the monthly form asks about their farming activities.

For data collection from respondents, the list of indicators is formed at the central level on paper forms or in electronic format. In the first case, data entry is undertaken at the regional level, manually. In the second case, the respondent's data are transmitted electronically into the database. During the processing, statistical data go through a formal logic and arithmetic control process. If necessary, data are adjusted (with the participation of the respondents). No imputation is performed.

Administrative data from the State Agency of Land Resources is the main source of information used in agricultural statistics: the quantity of registered land, its classification, and the distribution of land users by types, land and economic activities. The Ministry of Agrarian Policy and Food collects the particular information required for its activities.

New data sources are determined by working with the ministries and agencies collecting administrative data.

If a new source of administrative data becomes available the methodology of the production of these data is studied and analysed. If the data are reliable, the SSSU signs a contract about the exchange of information with the data producer.

Information of the State statistical surveys, sample surveys of living conditions of households and agricultural activities, as well as administrative data (the customs statistics, information on stockpiles in state reserve, etc.) are used for compiling the balance sheet and the calculation of products consumption by population.

Reports - meta-descriptions (19) and methodologies (20) - about agricultural statistics are published on the SSSU's website. Quality Reports on agriculture statistics are available on the website as well: the standard quality report of the statistical survey on areas, gross harvests and yields of agricultural crops, fruits, berries and grapes; the standard quality report on the statistical survey on the availability and supply of grain and oil crops to enterprises engaged in their storage and processing; the standard report on quality of the statistical survey of the supply of sugar beets to processing enterprises; and the standard report on the quality of the statistical survey of the size of the cultivated area under agricultural crops in households and others.

Methodological recommendations for the balances of food resources (demand and supply) adopted by the Order No. 1426 of the Ministry of Economic Development and Trade on December 2009, are coordinated and agreed with the Ministry of Agriculture and the SSSU. For

the compilation of the food balance sheet, the basic principles and concepts of the Food Agriculture Organization (FAO) are used.

All results of the statistical surveys on agriculture are placed on the SSSU's website. The results are published 5 days after the reference period for the monthly surveys and 3 months after the reference period for the annual surveys. In addition to placing the results on the website in the form of standard tables, data are published in the form of analytical reports, flash releases, statistical bulletins and collections.

The Department of Agriculture and Environment Statistics intends to implement several improvements:

- to improve the surveys on the volume and value of sales of agricultural products;
- to prepare e-quality reports on the statistical survey “Implementation of agricultural products” (planned for 2017);
- to introduce quality reports on the economic accounts for agriculture;
- to explore the administrative data sources for the compilation of economic accounts for agriculture;
- to improve the surveys on the area, gross harvest and yield of crops, fruits, berries and grapes;
- to improve the balance of the main agricultural products;
- to improve the surveys for the production of aqua biological resources in the part of the price of fish and aqua resources.

Recommendations

The SSSU is encouraged to:

82. Improve the production of balance sheets of the main agricultural products, refine data sources and enlarge the list of products.
83. Improve the tools for surveying volume and value of sales of agricultural products.

18.3 Agricultural Census

Assessment

No agricultural census and no farm structure surveys have been carried out in Ukraine. Such a census was envisaged to take place in 2014; however, due to lack of funding it was cancelled.

Description

The Department for Statistics of Agriculture and Environment of the SSSU is responsible for the preparation, organisation and performance of the agricultural census.

In accordance with the Law “About the Census of Agriculture” No. 575-VI of October 2008, and the decree No. 944 of the Cabinet of Ministers of Ukraine “On conducting the first national full-scale census of agriculture” of September 2011, an agricultural census was envisaged to take place in 2014.

The preparation of the methodology, the work organisation and the implementation of the agricultural census were defined in the “Guidelines for methodological and organisational provisions of the agricultural census”, approved by the SSSU Order No. 225 of May 2012. The same order approved the programme of the first full-scale agricultural census, which was built on the recommendations of the FAO Programme for the World Census of Agriculture 2010 round (WCA 2010) and Eurostat, as well as on the experience of other countries in agricultural censuses.

The census objects (respondents) were all agricultural producers, regardless of size, namely: legal entities and their separate subdivisions, individuals (natural persons, entrepreneurs, and households) who were engaged in agricultural activities (01.1-01.6 codes of the CEA-2010) in the use of agricultural land or livestock, or in cultivation, or catching fish and other aqua biological resources. This order was placed on the SSSU's website.

Financial resources came from the State Budget of Ukraine for the tasks and functions carried out by the SSSU. In 2014 prices, the first national full-scale agricultural census would cost approximately 510 million UAH (including approx. 348 million UAH (70%) for census personnel wages and 79 million UAH (16%) for census tools). It was planned to hire about 126,000 temporary staff.

It was envisaged that, during the full-scale agricultural census, households would be interviewed and agricultural enterprises would complete the census questionnaire. All census questionnaires were prepared with a view to scanner input.

Taking into account the national peculiarities of agriculture and the composition of agricultural products for the agricultural census, 4 questionnaires were prepared:

- The census questionnaire for agricultural enterprises and individual entrepreneurs;
- The census questionnaire for households;
- The census questionnaire for households whose members had land for collective or individual gardening or horticulture;
- The census profile for citizens' associations - the collective gardening and gardening associations.

However, due to lack of funding the census was cancelled.

During the preparation for the planned census, a pilot agricultural census was conducted in the period 1-25 July 2012 in the Bashtansky district of the Mykolayv region. For the pilot census, a total of 200 persons were hired and approximately 1 million UAH was spent (excluding software development). During this pilot census 18,800 households and 500 enterprises and entrepreneurs were investigated.

The purpose of the pilot agricultural census was to prepare methodological and organisational measures to check the efficiency of the draft agricultural census programme and census instruments, and to prepare and conduct the first full-scale agricultural census.

The goals of the pilot agricultural census were achieved. In particular, during the pilot census the methods for data collection on farms, the main directions and means were approved.

During the pilot, training was organised for the employees of the SSSU, regional statistics offices, ministries and other central executive agencies. The optimum number of temporary staff for an agricultural census was determined. Measures to ensure statistical confidentiality were also developed, and the first stage of an automated data processing system was tested.

Materials and documentation on the pilot census are available on the SSSU's website.

Recommendations

The SSSU is encouraged to:

84. The SSSU needs to be supported by the government and the Parliament to receive the necessary funding to implement an agricultural census.

Chapter 19: Multi-domain statistics

19.1 Transport Statistics

Assessment

Transport statistics largely follow EU standards. However, some indicators are not compiled.

Description

The SSSU works with a number of other organisations to produce statistics on:

- Freight transport;
- Passenger transport;
- Rail;
- Road;
- Water (inland and maritime); and
- Air.

In addition to the Law “On State Statistics”, a number of methodological provisions exist through SSSU decrees - provisions on motor transport statistics, on water transport statistics, on air transport statistics, on urban electric transport and on pipeline transport statistics - as well as relevant regulatory legal acts of the executive authorities which collect and use administrative data on transport statistics.

In addition to the SSSU, other government authorities are involved in the data collection, processing and dissemination of transport statistics. These are:

- the Ministry of Internal Affairs of Ukraine - with regard to the availability of motor vehicles (light and freight cars, buses, trailers, semi-trailers, motor transport) and road traffic accidents;
- the Ministry of Infrastructure of Ukraine - with regard to statistics on public railway transport (miles of railways, rolling stock, track facilities, equipment of transportation and passenger facilities, volume of freight and passenger traffics), the availability of public roads, road maintenance, receipt and use of funds for road facilities, the availability of sea and river craft, railway accidents, and accidents with sea (river) crafts;
- the State Aviation Administration of Ukraine is also involved with regard to the performance of air transport; and
- the Administration of the State Border Guard Service of Ukraine is involved with regard to the numbers of persons and means of transport through the state border of Ukraine.

The table below shows the various transport statistics where the SSSU or other authorities are responsible indicating the number of SSSU staff involved. In addition, regional statistical offices are also involved in data collection and processing, but information on the use of resources is not available. The number of SSSU staff members involved in as shown in the table below cannot be aggregated across the various statistics since staff members might be involved in more than one of the statistics.

	Rail	Road	Water	Air	Traffic safety	Infrastructure
SSSU	1	3	1	2	1	4

In the SSSU, a system is in place using software for checking and validating, allowing for the correction of data if necessary. Statistics *not* produced by the SSSU are checked by the SSSU before publication on the SSSU website.

For all transport statistics, monthly surveys are conducted and in addition administrative data from ministries and other government agencies are used:

- For road transport statistics, several surveys are conducted on road transportation by types of freight and on numbers of passengers by mode of transportation. The surveys are conducted annually, quarterly and monthly.
- Rail transport statistics are not produced by the SSSU but by the Ukrainian Railway Public Joint-Stock Company, which is subordinated to the Ministry of Infrastructure of Ukraine. The source data are the railway company's own administrative data.
- Water transport statistics are produced by the SSSU; the data are obtained by conducting monthly and quarterly surveys about water transport including freight and passenger transport.
- For air transport, the SSSU undertakes monthly surveys on the performance of aviation companies, and quarterly reports are received from the State Aviation Administration on air transport operations.

For new possible sources, the SSSU continuously monitors changes in regulatory bases that could result in new information to be used for statistical purposes.

Transport statistics largely follow EU standards. However, some indicators are not compiled:

- For the transportation of goods on roads, the indicators “travelled kilometres”, “travelled kilometres with cargo” and “travelled kilometres empty” are available for legal entities only. The indicator “volume of cargos transported” is not developed in accordance with the classification of dangerous goods: the indicators on freight kilometres and transportation of dangerous goods are not compiled.
- The transport of goods and passenger by sea partially follows European requirements, e.g. the indicator of goods is not developed in the national classification even though it is harmonised with the UN classification system for transport statistics (NST 2007). The number of cruise passengers is not compiled.
- European requirements on inland water transport statistics of goods are partially met, but several indicators are not compiled, such as volume of cargos transported by nationality and type of vessels, cargo turnover by nationality and type of vessels, quantity of empty vessels, vessel-kilometres of loaded and empty vessels, volume of containerised cargos transported by nationality, and container cargo turnover by nationality of the vessel.
- For air transport, compliance with European requirements is observed for passenger, freight and mail.
- On railway transport statistics, the information that the SSSU receives from the “Ukrainian Railway” Public Joint-Stock Company (which is subordinated to the Ministry of Infrastructure of Ukraine), complies with European requirements.
- Statistics on traffic safety are partially compliant with European requirements, as not all indicators on road accidents are compiled.

National classifications and standards are in general harmonised with European/ international classifications and are consistently used over time and across transport statistics.

The timeliness and punctuality of the published statistics is consistent with European requirements for transport statistics in general – also as reflected in the SSSU release calendar.

The assessment team was told about a number of measures planned for the further development of transport statistics. In relation to data providers, it is planned to renew the contract on the exchange of information with the “Ukrainian Railway” Public Joint-Stock Company and to conclude a contract on the exchange of information with the State Service of Ukraine for Transportation Safety. In addition, it is planned that the Ministry of Infrastructure of Ukraine will, from 2016, be responsible for the collection and development of data about sea and river ports.

It is planned to reduce the number of statistical indicators for passenger transport statistics in order to reduce the reporting burden on respondents. Experience from European countries on the registration and collection of passengers transported on water will be also taken into account.

For freight transportation on road, the possibility of seasonally adjusting turnover is being explored.

Finally, it is planned to establish (by 2017) quality reports for transport statistics on road, water, air and pipeline, and city electric transport.

Recommendations

The SSSU is encouraged to:

85. Continue to implement planned improvements to transport statistics, and seek technical assistance drawing on the experience from EU States, e.g. through the use of TAIEX.

19.2 Tourism Statistics

Assessment

In the field of tourism statistics, data are produced and published in line with EU standards using both survey data and administrative data but further efforts are required to produce missing indicators and satellite accounts.

Description

The SSSU reported on the activities conducted in the field of tourism statistics, and on the following plans:

- The preparation of methodological provisions on compilation of the tourism satellite account;
- Undertaking a one-off sampling survey of tourists and visitors about their expenditure in Ukraine and abroad;
- Conducting an interview with household members about travelling within Ukraine (within the framework of the statistical survey on household survey).

In the field of tourism statistics, central government authorities collect, process and disseminate information as follows:

- the State Statistics Service of Ukraine collects information about a) the activity of collective accommodation facilities, b) the activity of tour operators and tourism agencies, and c) the activity of children's recreational institutions in the Summer;
- the State Border Guard Service of Ukraine collects data on the number of persons who crossed the state border of Ukraine by purpose of trip;
- the Ministry of Social Policy of Ukraine collects data on health improvements to children at public expense.

The SSSU reported that:

- indicators based on the annual surveys fully meet the European standards: number of institutions, number of places, number of rooms, number of nights spent in accommodation facilities, arrival in accommodation facilities, net indicators of occupation of places (excluding the indicator “net indicator of room occupancy”); and
- indicators about domestic tourism on the basis of data from sample surveys, or regarding the visiting of the non-rented housing (second house), are not produced.

Data from the statistical surveys are processed, checked (by making arithmetical and logical controls, and comparisons with the previous reference periods) and updated using software products.

Administrative data are checked by comparing the reported data with data for the previous reference period.

Quality reports on tourism statistics will be prepared during 2016-2017.

The assessment team endorses the SSSU’s plans to develop tourism satellite accounts. The team also encourages the SSSU to explore in some detail the quality of the data provided by the State Border Service, in particular the distinction between tourism and business visits.

Recommendations

The SSSU is encouraged to:

86. Conduct a sample survey of international tourists and visitors in Ukraine and their expenditure (planned for 2014 and 2015 but postponed for lack of funding), necessary to produce satellite accounts on tourism.
87. Prepare the methodology to compile the auxiliary account of tourism (this may require technical support).
88. Interview household members about travelling outside Ukraine within the framework of regular household surveys.
89. Identify the source of information provided by the State Border Service about the purpose of international visits – tourism, business, etc. – and consider the implications for SSSU’s tourism and BOP statistics.

19.3 Energy Statistics

Assessment

Ukraine seems to largely follow international and European recommendations in the production of energy statistics and additional steps are planned for 2016 to further improve energy statistics. However, statistics on energy prices are not compiled.

Description

The responsible authority for the production of energy statistics in Ukraine is the SSSU. The following statistics are produced:

- Annual statistics of energy (production, transformation and consumption of energy commodities, external trade of energy commodities, structural characteristics of the energy industry);
- Monthly and short-term monthly statistics of energy (supply and transformation of energy commodities, renewables, oil and petroleum strategic stocks);
- Prices (electricity, natural gas).

The legal and regulatory framework on which the production and dissemination of energy statistics are based is composed of several orders and decrees of the Cabinet of Ministers. Some

of the statistical reports are instrumental in the planning, monitoring and evaluation of policy decisions related to energy policies.

The collection and processing of data is carried out both at the central and regional level. At the central level, 4 staff members are engaged in the compilation of energy balances, though 7 positions are available. In the production of annual statistics of energy (production, transformation and consumption of energy commodities, external trade of energy commodities, structural characteristics of the energy industry), 5 staff members are employed, and the short-term monthly statistics of energy (supply and transformation of energy commodities, renewables, oil and petroleum strategic stocks) employs 3 staff members at the SSSU. Corresponding estimates at the regional level are not available

Data are collected, processed and analysed both at the regional and central level. Data are transmitted from the regional level to the central level via the Computing Centre.

Data are collected on a monthly and annual basis from a number of sources based on the IEA questionnaire in accordance with the Regulation (EC) No. 1099/2008 of the European Parliament and of the Council of October 2008, on energy statistics. In monthly and annual surveys data are collected on production and sales, and use of products by type.

Methodological regulations on energy statistics are based on the norms and requirements of national legislation that largely conform with the recommendations of international and European organisations – for example, the Energy Statistics Manual (prepared jointly by the International Energy Agency, OECD and Eurostat), the Regulation of the European Parliament and of the Council number 1099/2008 of October 2008 “on energy statistics”, as well as the Guidelines for the Joint oil data initiative “JODI OIL” and “JODI GAS”.

The SSSU applies national classifications based on international standards such as NACE rev.2, CPA and PRODCOM.

The monthly and annual energy statistics, which appear to be largely compliant with EU requirements, are published on the SSSU website. They show the production/sale and use of main types of fuel and energy by region. Energy price statistics are not currently produced.

The identification of new data sources, as well as the evaluation of the quality of existing sources, is performed by monitoring data entry and processing, as well as by the monitoring of changes in the legal framework.

In 2016, the SSSU has planned several further improvements to its energy statistics: revise the national methodological guidelines for the compilation of the energy balance, revise data sources, implement a survey about the end-use of energy in households, prepare standard reports on statistical data on fuel and energy consumption in 2016, and the collection of data on monthly fuel consumption.

Recommendations

The SSSU is encouraged to:

90. Further develop energy statistics oriented towards the compilation of statistics on energy prices.
91. Seek the resources required to enable the statistical requirements associated with Ukraine’s membership of the European Energy Community to be met.

19.4 Environment Statistics

Assessment

In environmental statistics, an increasing amount of data is produced and published in line with EU standards, including data needed for the development of environment accounts. New data sources, including administrative data, are identified and used albeit not yet through an institutionalised agreement.

Description

Environment statistics in Ukraine are the responsibility of the SSSU, and the production of the statistics is carried out by the Division for Environment Statistics, one of the divisions in the Department for Agriculture and Environment Statistics. The following statistics are produced:

- Air pollution and climate change;
- Biodiversity;
- Forestry;
- Environmental accounts;
- Environment and agriculture (agro-environmental indicators);
- Waste;
- Water.

The production of environment statistics is affected by a number of laws in addition to the Law “On Official Statistics” such as the laws on “environmental protection”, “air protection”, “natural reserved fund”, “animal world”, “forest code of Ukraine”, “waste” and “water code of Ukraine”. In addition, there are a number of resolutions from the Cabinet of Ministers and the SSSU methodological resolutions (decrees) directly affecting or related to environment statistics.

Additionally, Ukraine has ratified a number of international agreements including the Convention on the Trans-boundary Transfer of Pollutants over Long Distances, the Framework Convention on Climate Change, and the Stockholm Convention on Stable Organic Pollutants.

Each of the areas covered in environmental statistics is handled by one member of the staff of the division. This means that the same staff member can be involved in more than one of the areas since the total number of staff in the division totals 5 members. At the regional level, 1-2 staff members are involved in environmental statistics in each of the regions.

All costs related to the production of environment statistics are financed by the ordinary budget.

Currently, data in the field of the environment and ecology include the monitoring of air emissions by pollutants and substances having a greenhouse effect from both stationary and mobile sources, the treatment of waste, investments in environmental protection, and environmental costs. In 2015, the first set of environmental accounts for air pollution was compiled in accordance with the Regulation of the European Parliament and of the Council of July 2011 No. 691/2011 “About the European system of environmental-economic accounts”.

The compilation of environment statistics is largely based on surveys. Currently, the division conducts 5 surveys. Three of these are “environmental” and concern the collection of data on air pollution, waste, and expenditure on environmental protection. The division also conducts surveys on forestry and hunting.

In addition to the surveys, some administrative data from ministries and government agencies are used; for example:

- The State Water Resources Agency collects quarterly data on the use of water and waste water.
- The State Agency for Hydrometeorology collects data on the hydrological conditions.
- The State Agency for Water Resources provides data on renewable freshwater resources.
- The State Geological Survey monitors the status of the groundwater.

- The Ministry of Health collects information about the quality of drinking water.
- The Ministry of Ecology and Natural Resources collects information on the biosphere, natural reserves, and national parks.

New data sources are determined based on the results of cooperation with ministries and agencies that collect administrative data. So far, no agreement has been reached for the provision of administrative data on a regular basis, and access to these data is sometimes difficult.

National classification standards are applied but these are compatible or harmonised with international and European standards ensuring comparability.

For waste statistics, the generation and disposal of waste is produced according to EU recommendations. This was the result of the cooperation of an international expert from Lithuania. However, some issues still remain about the classification of dangerous/hazardous waste; the SSSU is dependent on the Ministry of Ecology to decide to introduce a list of such items in line with the EU list.

Currently, an annual survey is conducted on air pollution. The survey partly complies with EU standards. For environment-economic accounting the major limitations faced by the SSSU are the lack of experts on environmental statistics, and the availability of the administrative data required for the compilation of environmental accounts.

Recommendations

The SSSU is encouraged to:

92. Address the major challenges for the compilation of environmental/environmental-economic statistics, i.e. the lack of human resources and the availability of the administrative data required to compile the statistics.
93. Seek possibilities for staff members to participate in training courses with European experts to improve knowledge and methodological awareness about environment statistics (see also recommendation 41).

19.5 Research and Development (R&D) statistics

Assessment

In the field of R&D statistics, the SSSU collects and publishes data on the scope of research and development, expenditure, sources of financing and number of employed people in science, as well as data on patents.

Description

With regard to research and development, the SSSU conducts the following statistical data collections:

- form No. 1 - science (six-month) “Report on scientific and research and development activities”;
- form No. 3 - science (annual) “Report on scientific and research and development activities of enterprise”.

The surveys on scientific research and development collect statistics about: the scope of activities performed on scientific research and development, the volume of expenditure for their performance, sources of financing of expenditure for scientific research and development activities, international cooperation, innovative activity, and scientific personnel.

With regard to innovation activity of industrial enterprises, the SSSU conducts the following statistical data collections:

- form No. 1 - innovation (annual) “Survey of innovative activity of industrial enterprise”.

This survey collects statistics on the number of enterprises actively involved in innovation, the volume of expenditure and financing of their works, as well as performance during the year.

- form No. INN (once every two years) “Survey of innovative activity of enterprises from 2012 to 2014”.

This collects statistics which describe innovative activity and are comparable to data of European countries.

These surveys, whose units of observation include legal entities and their separate divisions with regard to scientific research and development activities, are exhaustive – that is, they collect information from the whole of the relevant population, rather than using sampling.

At all levels of processing (regional, national), after the forms of the statistical survey have been received from respondents, they are analysed and entered into the relevant system for electronic information processing. Logical and arithmetical controls are made while entering and processing data (both input and output datasets) and data are compared with the previous reference period. Two quality reports were prepared on innovation statistics in 2014 and 2015.

Administrative data on patents, provided by the State Intellectual Property Service of Ukraine, are checked by comparing the reported data with data for the previous reference period.

The SSSU reported the following plans:

- with regard to **R&D expenditure and personnel**, the SSSU plans to move towards an annual survey with a list of indicators in accordance with the Eurostat requirements, decreasing the number of indicators starting from the report for the year 2016. A standard report on quality is also planned for 2016;
- with regard to **Innovation**, the SSSU plans to move towards surveys once every two years (each of the surveys), decreasing the number of indicators starting from the report for the year 2016

The assessment team understands that the statistics on scientific research and development and innovations produced by the SSSU are based on common methodological approaches which ensure the comparability of the main indicators, and that the indicators used take into account international statistical requirements and international standard practice of surveys of:

- scientific research and development activities contained in the Frascati Manual and UNESCO Manual;
- innovative activity contained in the Oslo Manual and Methodological recommendations on survey of innovations in the European Union.

Data are reported as being coherent and consistent since 2000.

Recommendations

The SSSU is encouraged to:

94. Introduce surveys with a reduced list of indicators in accordance with European requirements, starting from 2016.
95. Take necessary measures to produce statistics on government budget appropriations or outlays on research and development (GBAORD) in compliance with European standards.

19.6 Information and Communication Technologies (ICT) statistics

Assessment

In the field of ICT statistics, the SSSU collects and publishes data on the usage of ICT by enterprises and households.

Description

The SSSU collects, processes and disseminates information regarding the use of ICT by enterprises and households, and regarding the activity of operators of telecommunication services. The administration of the State Service of Special Communications and Information Protection of Ukraine is responsible for the data on the coverage of the population of Ukraine with television and broadcasting.

Information on the use of ICT by households is collected within the framework of the multipurpose household living conditions survey of Ukraine, using a modular questionnaire.

At all levels of processing (regional, national), after the forms of the statistical surveys have been received from the respondents, they are analysed and entered into the relevant system for electronic information processing. Logical and arithmetical controls are made while entering and processing data (both input and output datasets), and data are compared with the previous reference period.

No administrative data are used.

The assessment team endorses the SSSU's plans for the further development of its ICT statistics:

- further improvement of the system of indicators of information and communication technology statistics in line with international standards;
- preparation of a standard report on the quality of the statistical survey on the use of information and communication technologies by enterprises (2016);
- continuing work on the transition from exhaustive coverage to a sampling approach.

Recommendations

The SSSU is encouraged to:

96. Continue to implement the planned developments in ICT statistics, including the work on the transition from exhaustive to sample surveys.

Annexes

Annex 1 – Organisation chart of NSI

Chair

First Deputy Chair

Department for
National Accounts and
Macroeconomic
Statistics

Department for
Production Statistics

Department for Structural
and Business Finance
Statistics

Department for
Trade Statistics

IT Department

Department for Planning
and Coordination of
Statistical Activity

Department for
Statistical Infrastructure

State Statistics Functional Bodies

National Academy of Statistics, Accounting and Audit

"Technical Complex of Statistical Research" State Enterprise

State Enterprise "Information and Analytical Agency"

Department for Financial
and Economic Support

Department for Personnel
and Organizational Support

Department for
Information Dissemination
and Communication

Directorate for
International Cooperation and
European Integration

Directorate for
Accounting and Reporting

Administrative Directorate

Division for Legal Support

Division for Security

Sector for Internal Audit

Specialist in Prevention and
Identification of Corruption

Deputy Chair

Department for
Services Statistics

Department for Agriculture
and Environment Statistics

Department for
Households Surveys

Department for
Labor Statistics

Department for Population
and Regional Statistics

Department for
Price Statistics

The SSSU's staff number is 485 employees

State Statistics Regional Bodies

Main Inter-regional
Department of Statistics

Main Statistics Department
in the Autonomous
Republic of Crimea, Regional
Statistics Departments, Main
Departments of Statistics in Kyiv
and Sevastopol
(total number is 27 units)

Staff number is 7851 employees –

Separate District Bodies
(in cities)
Their total number is 275 units