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Some Aspects of Global Assessment of the Statistical System
(excerpts from speech)

In order to develop a well-functioning and sound statistical system its assessment is necessary indeed. That is why the topic of this seminar is so relevant.

The State Statistics Committee of Azerbaijan invites experts of international organization in order to assess various areas of official statistics, and has gained certain experience.

In 2002 the IMF mission visited Azerbaijan with this purpose and in its Report on Observance of Standards and Codes (ROSC), when giving an overview of the status of data dissemination the mission mentioned that Azerbaijan observed recommendations of the General Standard of Data Dissemination in terms of periodicity and timelines of macroeconomic statistics release; and it also made significant progress in producing statistics in compliance with SNA 93, Manual on Monetary and Financial Statistics and Manual on BoP, rev. 5. In general, the primary data are comprehensive. Well-established programmes of data collection are in place, and the applied statistical methods, in general, are consistent with the adequate statistical procedures. Along with this, the recommendations and suggestions were made to improve the national account statistics and CPI. In this context the Global Assessment acts as the tool for raising data quality.

On our request in 2008 a similar ROSC assessment was carried out for the CPI only. The organisation of works to ensure the CPI quality, accessibility and dissemination was given 19 of 22 highest marks, whereas the other three obtained the marks one level lower. The outcomes of the assessment mission are posted on the IMF web-site.

Therefore, the assessment was only carried out for the data dissemination and CPI. In spite of our requests the Global Assessment of the whole system was not implemented. So I would like to take the opportunity to say that the Statistics Committee of Azerbaijan is prepared for the Global Assessment of the whole statistical system and would appreciate the assistance of the international organisations.

What do such assessments mean? The Global Assessment of the statistical system is a statistical audit, which first of all is necessary:

1) **for the management of NSOs.** The outcomes of such assessment identify weaknesses, and predetermine the selection of main areas for the development of statistical indicators and the methodology of statistical surveys, which underlie the multi-annual state programmes of statistics development (the forth five-year programme is currently being implemented in Azerbaijan). In other words, the assessment of the current status of the statistical system is important for the identification of the future development strategy, strategic planning, and strengthening the potential of the statistical system;

2) **for the country as a participant of the world integration processes and economic globalisation.** Azerbaijan declared its priorities. It is the integration in the European structures. In this context, strengthening the potential of the statistical system, first of all through the introduction and the implementation of the international standards in the statistical practice will support this integration;

3) **for the authorities of the country.** Due to the nature of their activities, statistical offices are involved in building the information environments of the society. To a certain extent, the

released economic, social, demographic and environmental official statistics influence the public opinion, and the government is interested in knowing more about the operations of the national statistical office;

4) **for business community both in the country, and outside, as well as for other users.** Of course, investors, would like to evaluate their risks. When measuring the economic situation with the official statistics the question arises about how reliable the figures are. To our opinion, the outcomes of the Global Assessment of the statistical system carried out an international organization may be a signal of how correct and accurate the official statistics are;

5) **for the international organisations** for better coordination of the assistance to the developing countries and transition economies and strengthening the potential of their statistical systems.

Therefore, to our opinion the necessity of the Global Assessment is evident. At the same time the interesting issues to be discussed are the periodicity and the programme of the assessments.

To our opinion, The Code of Practice of the European Statistics and the IMF ROSC Report could be used as the conceptual framework for the assessments. As widely known, the IMF performs the assessment of how the member countries comply with standards and codes in 12 areas, one of which is the data dissemination. The ROSC Report covers such aspects of the data dissemination as impartiality, clearness of methodology, accuracy and reliability and applicability, as well as the pre-requisites for the high data quality (i.e. legal and institutional environment, available resources, etc.). About 140 countries have already showed their interest in the assessments in various areas.

The goals of the IMF General and Special Standards of Data Dissemination differ from those of the Global Assessments of the statistical systems, however, the applied approaches could be of use.

All this is closely linked to the Code of Practice of the European statistics. When examining the operations of the NSI in terms of its observance of 15 principles, a detailed assessment can be made. It is also important to assess the level of observance of various principles impartially. We consider that common standards should be applied, which would allow for avoiding double interpretation of the assessed indicators.

During the Global Assessment special attention should be paid to the issues like increase in the efficiency and productivity of NSIs, their role in better understanding the importance of statistics and, in particular, its quality by the society, as well as consistency of the statistical supply and the demand.

The gradual implementation of Global Assessments of statistical systems is only possible is only possible with the support and involvement of international organisations.