

Statistical systems/Administration and management of statistical organizations in Mongolia

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Dear colleagues,
Ladies and gentlemen,

I am very pleased to be here in Japan and would like to express my sincere gratitude to organizers of this seminar, UNESCAP and Statistics Bureau of Japan.

I would start from background information of Mongolian official statistics system, then current states of Mongolian statistics, thirdly implementing vision of official statistics, and share with you some challenges in NSO.

According to the “Law on Statistics” of Mongolia, the statistical system of Mongolia consists from the National Statistical Office (NSO), which is in-charge of co-ordination of all official statistical activities and functions in Mongolia independently, statistical divisions at the Governors of the capital city, aimags and statistical units at the district Governors offices. An officer of a chancellery of soums and the Governors of bag and horoo are responsible for statistical activities.

The “Law on Statistics” of Mongolia was adopted in 1994 by the Parliament of Mongolia and revised in 1997 and 2004, in order to reflect the major principles of official statistics recommended by UN. As a result, a new legal environment of official statistical activities was formed. According to the Law, the principles of independence, transparency use uniform methodology with a scientific basis and professional standards were determined and legalized. In accordance with the ongoing social, political and economic transition in Mongolia, the Law has become a legal basis that allows the NSO to produce accurate and reliable statistical information, respect data confidentiality and give all users an equal access to information, as well as, unified management and coordination for the official statistical activities in Mongolia. There are some other related laws and administrative regulations namely Law “On Civil Service” and Law on “Public Sector Management and Finance” which are forming legal framework for official statistics in the country.

The NSO of Mongolia as a public administrative institution is directly accountable to the State Great Hural (Parliament) and entitled with the rights to elaborate methodologies, procedures, classifications and standard of the statistical information, to improve scientific basis of statistics, to analyze statistical data, and to develop short, mid and long term forecasting and modeling by economic and social indicators of the country. The NSO is responsible for avoiding duplication of official administrative and official statistics, ensuring methodological integrity, approving and introducing indicators, methodologies and instructions, evaluating data coverage and reliability.

A Council with representatives from the Government, business, research circles and users, works at the NSO to assist the latter in maintaining official statistical activities and provide advice on use of uniform methodologies accordance with law on statistics, to comment on its activity plans.

At beginning of the 2005, the NSO carried out structural reform and currently it consists of 4 departments and 1 division, namely Statistical Planning and Policy Coordination Department; Public Administration & Management Department; Methodology and Research Department; Data Processing and Technology Department, and Monitoring and local statistical administration division.

Statistical planning and policy coordination department comprises 3 divisions as *Statistical integrated policy division, Economic statistics division and Population and social statistics division*.

This department carries out functions to identify statistical development policy, provide convenient environment for introducing System of National Accounts into the statistical activities, develop business and price statistics, provide methodologies, instructions and recommendations, estimate GNI and GDP, compile accounts of SNA, estimate size of non-observed economy and develop general model of Input-Output Table conforming to requirements of SNA. As well, such department shall conduct agricultural census, livestock census, establishment census and population and housing census due to approved time by Law on Statistics, Mongolia. Moreover, this department provides major functions as to improve methodologies of statistics on business, population and social issues, conform indicators for the SNA, improve data coverage of official statistics, provide accuracy of data, estimate gross output, intermediate consumption and value added due time and reality, estimate demographic and standard of living, poverty and labor force indicators and improve quality and effects of sample surveys.

Public administration management department consists Foreign relations division, Administration and internal affairs unit, Budget, finance and service unit and Information service center. This department provides activities that to organize implementation of state laws and other relevant administrative regulations and public administration, human resource management and coordination and monitoring on activities, provide result-based optimal structure qualified and skilled public service by highly developed management and finance, organize administrative common services timely and optimum, improve working conditions and welfare of staff and provide convenient and normal condition for carrying out activities. It provides activities as developing international relations and cooperation and activities oriented to outputs of projects. Shall produce supplement survey for providing professional generation to the regional offices. Shall responsible budget planning and expenses and financial balance reports, analyze on financial reports and improve financial controlling and coordination. Shall organize data dissemination for domestic and international users via electronic media and printed matters and introduce principles as openness, availability and equality of data dissemination and use.

Methodology and research department provides main functions such as to advance methodologies of statistical information, improve scientific basis, analyze on statistical data and identify prospective trends of development. This department is new established in 2005 in order to progress methodologies, statistical survey and analysis in new stage.

Shall develop hypothesis, forecasting, factor analysis and multiple versions proposals of economic and social statistics main indicators based on statistical database. Therefore, it is make a comparison and time series analysis based on correlation between statistical variables, international comparison time series by economic and social development indicators and population projection.

Main task of Methodology and research department is to develop and adopt generally used and sectoral used methodological standards.

Data processing and technology department responsible activities to develop software of data processing, collect and process statistical data, survey data and population and housing census data, provide normal condition of intranet and internet of the office, build integrated database, develop software for database management, responsible database application and services, introduce information technology, organize development and implementation of techniques and technology policies of the sector and improve utilization of computers and other techniques for central and local staff.

Monitoring and local statistical administration division provides main functions as monitors and evaluates performance of projects, plans, and objectives for the NSO, supervises, monitor and coordinates the actions and initiatives of the regional divisions, and supports regional offices to ensure accuracy of data collection. As well, provides one point management, supervises and analyzes for frame and outputs of statistical information, census, registration and sample surveys. Moreover coordinates work of State Statistical Inspectors, provide by methodologies, recommendations and instructions and evaluate their outputs.

Today the statistical system of Mongolia includes around 213 staff members (economists and statisticians) and 63 in head office. The national statistical system has been strengthening as a main sector running statistical activities at the national level through around 2300 persons in total. A key issue of our human resource is to strengthen the capacity of the NSO by promoting knowledge and skill capacity of its staff. We are making systematic arrangements to improve professional quality of staff through train and re-train them at working places and involve in short and long term domestic and overseas trainings and study tours.

Statistical information shall be official and administrative types. The National Statistical Office, ministries and other state organizations and Governors of all level produce official statistical information. The National Statistical Office has collecting 176 official and administrative data as monthly, quarterly and annual frequencies and, 55 data collected from aimags, the capital and districts and 121 data derived from ministries and agencies. Ninety percent of total official statistical information from local statistical offices is collected electronically, of which 50 percent is processing with modern standardized software. NSO has disseminating official statistical data through the several types of data dissemination as mass media (TV, radio, daily newspapers (on agreement), press conferences in every month and interviews on TV and radio), publications (Reports on Census and Sample Survey Main Results, Statistical Yearbook and Statistical Bulletins and report on a monthly basis), electronically (End user data base (DevInfo, Redatam) and CDs, mass storage devices USB), Internet (NSO website www.nso.mn) and user request on their data demand (Receive regular inquiries from different group of users, data files, output tables, estimations and electronic register of requested information).

The National Statistical Office has abundant history and experience of cooperating with United Nations and its specialized organizations since Mongolia joined the UN in 1961. From 1992 Mongolia joined international banking and financial organizations namely, International Monetary Fund, World Bank and Asian Development Bank. It was opened new opportunities and created favorable conditions of cooperating in statistics at the international level. The NSO is a member of United Nations Statistical Institute for Asia and the Pacific (UNSIAP) and actively participating in activities International Statistical Institute (ISI), United Nations Statistical Division (UNSD) and United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The NSO has regular collaborations with United Nations Development Program (UNDP), UNFPA, United Nations Fund for Population Activities (UNFPA), United Nations Children's Fund (UNICEF), United Nations Development Fund for Women (UNIFEM), United Nations Food and Agriculture Organization (FAO) and United Nations Industry Development Organization (UNIDO), International Labour Organization (ILO), European Commission (EC) and EUROSTAT. In implementing its international cooperation program, the NSO is participating in international conferences and overseas study tours. Furthermore, consulting services by international organizations provide in improving statistical system of Mongolia. Joint statistical large scale sample surveys such as "Living Standard Measurement Survey", "Reproductive Health Survey", "Labour Force Survey", and "Time Use Survey" have been conducted under the assistance of international organizations. For the last years, the NSO is expanding its

international cooperation by establishing bilateral relationships with foreign statistical offices namely, People's Republic of China, Russian Federation, Germany, Australia, Republic of Korea.

The NSO's activities are based on annual and multi-annual business plans for 3 years. The NSO has to report to the Parliament about the results and process of implementation of the annual and three year plans. According to Law on Public Sector Management and Finance, NSO has developing annual and three-year plans by the class of the statistical product and person/days. For three-year statistical business plan, it proposes activities to carry out and budget needed for such activities within three years in advance. Annual work plan has been clarifying proposed activities reflected on three-year program. The mid term and annual plan of official statistical activities processed in both in central and local levels.

We have done SWOT analysis of official statistical system, NSO in Mongolia. As the internal weaknesses of the NSO has been analyzed and the results are presented as in the one hand, increasing needs to introduce new indicators and methodologies in conformity with international standards and the increasing demand of statistical information. On the other hand a limited number of staff, shortage of human resources and there is a need to retrain the staff because their knowledge and professional level do not always meet the today's requirements of market economy condition. Young staff that has a high professional education and good in English is required; the state budget constraint and lack of human resources are the main impediments of improvement.

Moreover, there are following challenges addressed:

- address sluggishness in identifying the indicators for events and phenomena in the focus of public attention
- although the Law provides for ensuring transparency of raw/primary data, the user requirements are not fully met
- ensure that statistical information is realistic, expand coverage and enhance accounting and statistics discipline
- introduce cost-effective and efficient technologies at all stages of statistical data processing
- address the technological gap between the central and local statistical offices
- address insufficient skills and capacity of the staff at soum and bag levels to mobilize technological progress to ensure the objectivity of statistical information; lack of a systematic training system for staff
- limited human capacities, insufficient budget and poor opportunities to expand our activities so as to be able to meet the ever increased demand for information and develop new methodologies and indicators consistent with international standards
- although we do participate in the high level international events following our membership commitments with the budgetary funds, the concern to have approved the funding for the next year's events in the budget and seeking support from donor organizations is ever present
- although we participate in some of the training courses organized by international organizations, such changes are rare and random, and we are not able to involve more staffs in a systematic manner

According to the Law amended on statistics, which states "the NSO should develop mid term program to estimate official statistics indicators and conduct census and surveys and submit for

approval to the State Great Hural”-Parliament¹. NSO has developed “Action program of official statistics development 2005-2010” and approved by Mongolian Parliament-State Great Hural. The program is a key document to determine areas of mid and short term activities of official statistics, to define vision, mission, principles of activities and strategic goals, to set further goals, to estimate precisely achievement approaches and required financial and human resources, and to implement the proposed activities step-by-step. The fundamental principles of official statistics recommended by the United Nations to its member countries are the essential principles for developing statistical information system in our country. Accordingly, we reflected the UN 10 principles of official statistics and principles in the Action program for 2005-2010. The Program aims at providing effective managerial, organizational and financial setting to implement the goals, policies, and activities of official statistical service successfully and to identify the expected outcomes. NSO has abiding following principles to implement the stated objectives:

- ensure that the statistical services are user-oriented, open, objective and prompt
- expand cooperation with statistical respondents and users, and seek to ensure objectivity of statistical information through forging trust with them
- ensure that statistical service is professional
- be committed to regular technological renovation and up gradation
- improve the professional competence of the staff members enhance their team-work skills and develop instill good managerial practices

Our vision is determined in a way to answer where we would be in the future, at which level of development would be reach and what does our future look like.

The *vision* (future perspective) of the NSO Mongolia is defined as “to strive becoming a reputable organization at the regional and international levels and a professional institution which is fully trusted by domestic and international users”.

The mission of the NSO is formulated as an expression of future activities and principles reflecting whom we will serve and what do we plan in the future. The *mission* of the NSO is “to provide timely and efficiently the state, citizens, private enterprises and civil society with reliable and accurate statistical information on development and implementation of development policy”.

Under the above-mentioned vision and mission, NSO has defined following 8 strategic directions and set goals for each:

1. *For the strategy of macro economic statistics* - to introduce SNA and improve estimations of main macroeconomic indicators,
2. *For economic statistics strategy* - to introduce international common methodologies in economic sectors, improve indicator system and conduct sample surveys and censuses based on statistical units;
3. *For population and social statistics strategy* - to improve population registration, improve quality of population and social statistics data and conform international standards and estimate main indicators of living standard and poverty at local level;
4. *For statistical methodology, survey and research strategy* - to conform methodologies of statistical information and surveys to the international standards and develop national standards, determine future development perspectives based on statistical survey results, analysis, modelling and forecasting;
5. *For strategy of information technology* -to establish integrated statistical database, introduce modern information and communication technologies and techniques to all stages of data

¹ Paragraph 3.2, Article 12, Chapter 4 of “Law on Statistics”, Mongolia

processing, to strengthen capacity of techniques and technology at central and local statistical offices to the same level

6. *For Human resource management strategy* -to improve human resource management and to form skilled staff that interest to work in the NSO
7. *For Public administration reform strategy* -to strengthen statistical office in a sense of an institution and set up efficient system of statistical organizations
8. *For international relations and cooperation strategy* -to participate actively in international activities in areas of statistics, reputable fulfil its obligations and implement productive bilateral and multilateral cooperation policies to improve official statistics and strengthen national capacity of statistics.

We defined the values of the NSO by identifying principles to achieve the vision and to adhere to daily decision-making. The values of statistical office are defined as follows:

- Statistical services shall be user-oriented, reliable and timely;
- Ensure accuracy of statistical information by expanding cooperation with statistical respondents and users and to be trusted by them;
- Statistical activities should be professional and information should be transparent;
- Technological innovation should be made regularly; and
- Improve skills of the staff, and develop efficient management systems.

Therefore, the statistical activity in Mongolia has been developed in coherent with the social and economic transformation, development in the country and the policy of reform for statistical activities are aimed to the following directions:

- conform statistical information with international standards;
- introduce modern methods, techniques and technologies and develop national standards;
- carry out staff-oriented management reform; and
- expand bilateral and multilateral cooperation with other statistical offices, organizations.

As results of the implementation of the program, the following progress would be made in our official statistical activities:

- Progress in statistical information conformity with international standards
- Strengthened capacity of human resource and technologies of statistics
- Progress on introduction of SNA and compiling economic accounts
- Improvement in data coverage and its quality
- Reduce cost and able to timely report by means of a less burden on statistical respondents;
- Integrated data base
- User-friendly and dissemination of data
- NSO as reputable at international and national levels, expanded bilateral and multilateral cooperation

Thank you very much for your attention.