



Monitoring the Production of Statistical Indicators for the Development Agenda

Country Statement – Georgia

Introduction

Since 1991, the statistical system of Georgia has largely been developed from scratch; before that date statistical activities were organized as part of the Soviet system, serving the needs of a centrally planned economy. Over the past twenty years, the focus has been on establishing a statistical system that meets the needs of a market economy, with recent attention focused on the need to promote the independence of statistics and to serve the development effort.

Between 1997 and 2004 statistical activities in the country were led by the State Department of Statistics of Georgia, under the mandate provided by the Law on Statistics, adopted in 1997. In 2004 the Department became part of the Ministry of Economic Development of Georgia and this situation was maintained until December 2009.

In December 2009, a new Law of Georgia on Official Statistics was enacted, establishing Geostat – the National Statistical Office of Georgia – as a Legal Entity of Public Law. The new law provides for the development of statistics and for the improvement in the coverage and quality of official data compiled and disseminated by Geostat as well as by other government agencies.

The functions of Geostat are as follows.

- Develop and implement a unified policy for official statistics in Georgia and secure cooperation with territorial units and other governmental bodies producing statistics;
- Develop and implement a statistical work program, including:
 - Conduct statistical surveys;
 - Process administrative data for statistical purposes;
 - Produce and publicize an advance release calendar for the dissemination of statistical data;
 - Disseminate statistical data in line with the advance release calendar and ensure equal access to statistical data by all users;

- Develop and put into effect statistical methods and standards in line with international recommendations;
- Conduct a census of the population;
- Produce an annual progress report;
- Establish statistical territorial units and define their scope of work.

The establishment of Geostat as an independent agency with a strong mandate represents an important milestone in the development of statistics in Georgia and provides a strong basis for future development. It demonstrates the commitment of the Government to the development of a statistical system that operates in a manner that is consistent with the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practice. While it may well take a number of years for Georgia to reach the standard of statistical operation in the advanced European countries, the basis for development is in place. According to the Law on “Official Statistics,” the annual state statistical program is adopted by the Presidential decree. The program refers to the entire statistical system and determines data sources and data collection and the dissemination of official statistics.

Other opportunities are presented by the general recognition within Government of the importance of statistics, not only in providing the quantitative evidence needed to support policy making, the allocation of resources and the effects and impacts of policy actions, but also as an accountability mechanism and in supporting the development of private sector economic activity, including foreign direct investment. The indications are that senior policy makers recognize the importance of an efficient and effective statistical system as a component of making markets work better and of promoting investment and economic growth.

I. National and international development agendas

Geostat is responsible for the development of Statistics in the country to support and inform the national and international development agenda. Statistical data is important not only for informing government policy and decision making but also for guiding private investment decisions. The production and dissemination of quality statistics to the monitoring and evaluation of government programmes cannot be overemphasized.

Production of statistics is a combined effort of all stakeholders. Whereas the Geostat’s main mandate is production and dissemination of various types of official statistics, there are other players such as Ministries, the National Bank and other agencies that produce a variety of other statistics. Geostat has two critical roles in the development of Georgia’s statistical system. It is responsible for conducting national surveys and censuses under the annual state statistical programme, including the compilation of data from a number of administrative sources. Geostat also has an additional responsibility of coordinating, monitoring and harmonizing data production processes.

Geostat plays a crucial role in monitoring the programmes implemented by the Georgian authorities – financed by the state budget of Georgia as well by foreign donors.

In 2008-2010 the US-funded Millennium Challenge Programme was implemented in Georgia in line with the priorities of the Georgian Government. The grant aiming at poverty reduction and economic growth was used for infrastructure rehabilitation and enterprise development in the regions of Georgia. Within the framework of the grant Geostat implemented various surveys, including Village Infrastructure Census (VIC) to collect the data regarding provision of basic infrastructure to all villages. The information collected through VIC will facilitate development of enterprises in the regions and direction of investments towards the agrarian sector that is a precondition for increased new job opportunities and rural income. Collected information allows to observe the development tendencies of basic village infrastructure and to determine development priorities. Government programmes "United Georgia without Poverty" and "State Strategy on Regional Development of Georgia for 2010-2017" are also subjects of close monitoring by Geostat.

Referring to future challenges, in November 2011 Georgian government presented a 10-Point Strategic Plan for Modernization and Employment, which includes main directions and aims of social and economic policies of the country for 2011-2015.

II. International standards

Prior to the 1990s statistical activities in Georgia were based on soviet standards and methodologies, they followed directions from the centre and were designed to meet the needs of a centrally planned economy. After regaining of independence in 1991 and starting transition to a market-oriented economy, statistics faced an objective demand for reforming itself. With the strong assistance of international organizations such as the UN and other specialized agencies, (the IMF, the World Bank, the OECD, the EU) in the 1990s several key international standards were introduced in the fields of National Accounts, Price statistics, Balance of Payments, Merchandise Trade Statistics. Major statistical classifications – of Economic Activities, Occupations, and Employment etc. – were developed and implemented. All of them are harmonized with the international analogues.

According to the Georgian Law "On Official Statistics," Geostat works out the statistical methodology and standards in line with their international analogues and facilitates their implementation. With its daily activities Geostat promotes standardization in the fields of collection, analysis and publication of statistics. This ensures uniformity in quality, adequacy of coverage and reliability of statistical information. Other major suppliers of official statistics such as the National Bank (monetary statistics) and the Ministry of Finance (government finance statistics) also produce their statistical data in compliance with the international standards and methodology. Along with these two government bodies Geostat participates in the IMF Special Data Dissemination Standard

(SDDS). Subscribing to the SDDS in 2010 is an important achievement that demonstrates a commitment to meeting standards.

In addition, the IMF's ROSC (The Report on the Observance of Standards and Codes) mission conducted a 2-week mission work in Georgia, in order to assess Georgia's macroeconomic statistics against SDDS, complemented by an assessment of data quality based on the IMF's July 2003 Data Quality Assessment Framework (DGAF). The final ROSC report will be publicly available soon.

In general, in our opinion a procedure of developing and agreeing of new statistical standards adequately envisages the views of all countries, both developed and developing.

III. Micro data dissemination

1. Do you provide the following data sets?

- 1) Population censuses. No, population census micro data are not disseminated.
- 2) Household surveys – Yes, Integrated Household Survey (IHS) micro data. IHS database is uploaded on the Geostat's website. Confidentiality of dataset is ensured.
- 3) Establishment/Enterprise surveys – Yes, there is a practice of dissemination of enterprise survey micro data, where confidentiality is ensured. But it only refers to business register.

2. What kind of disclosure methods do you employ?

Geostat is using tabular data protection, anonymisation.

3. Do you have micro data dissemination policy?

At present there is no clearly formulated micro data dissemination policy in the Geostat yet. In each case, we act in accordance with specific circumstances. Besides, Geostat is planning to work on introduction of NADA software.