



THE CONCEPT OF LOCAL STATISTICS IMPLEMENTATION AND DEVELOPMENT IN UKRAINE

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I. GENERAL PROVISIONS

Local Statistics Concept in Ukraine (hereinafter referred to as the Concept) defines the prerequisites, current status, and formation challenges; describes the purpose, objectives, and sub-objectives; clarifies key concepts; presents the overall structure; and specifies the principles and directions for local statistics development. The Concept is based on a systematic approach to forming statistical information on issues of local importance in Ukraine. The information is formed at administrative levels, encompassing local (the level of consolidated territorial communities (CTCs) (their parts (settlements) and/or associations)), regional, and national.

The Concept is based on:

- Constitution of Ukraine, legal framework for state regional policy, local governance, territory restoration, and development policy;
- legislation on information, information relations, and digitalization in public management and administration;
- laws regulating state statistical activities and the maintenance of public electronic registers.
- urban and spatial planning legislation;
- international (European) standards (recommendations) on various aspects of statistical activities and the utilization of statistical information to measure the sustainable development of CTCs and territories;
- best national and international experience in forming and developing local statistics;
- practices and current local development tasks in Ukraine during martial law and post-war reconstruction.

The Concept implementation will facilitate the transformation of the local statistics system to meet the contemporary needs of state regional policy, thereby enhancing the quality of information and analytical support for management decisions on the development of CTCs and regions across Ukraine.

2. DESCRIPTION OF THE PROBLEM REQUIRING SOLUTION

PREREQUISITES FOR LOCAL STATISTICS FORMATION

The decentralization reform and changes in the territorial organization of power in Ukraine have expanded local governments' powers and strengthened their financial capacities. Meanwhile, these processes emphasized the relevance of information and analytical support for implementing expanded powers and fulfilling responsibilities at the level of CTCs, highlighting the need for reliable local statistical data.

Russia's military aggression underscored the critical need for local-level data, particularly concerning demographic and migration dynamics, infrastructure destruction, and other losses essential for planning the recovery and development of territories. This necessitates the justification of necessary financial resources, and the search for funding resources, including international technical assistance projects.

On the one hand, the legal framework for state regional policy and regional and territorial recovery policy entails the responsibility of state bodies and local governments for planning activities and outcomes. On the other hand, the current legislation lacks regulatory documents to define the organizational and legal framework for local statistics formation.

Local government (LG) powers are being expanded in the context of Ukraine's integration into the EU. This process involves implementing good governance principles, which include making decisions based on quality data and ensuring information accessibility about executive bodies' and local governments' activities, and the status and development of territories to citizens and other stakeholders.

Digital transformation in Ukraine has laid the groundwork for local statistics formation, establishing essential prerequisites. The unified state open data portal ensures access to specific administrative and

statistical data sets. Digitization of administrative registries enables the formation of an integrated database in an automated mode. The geographic information system for regional development and other digital solutions provides the foundation for an integrated local statistics information system and analytical support for management decisions at the level of CTCs.

PROBLEMS DEFINING THE CURRENT STATUS OF LOCAL STATISTICS AND REQUIRING SOLUTIONS

The need for local statistics is urgent, but there is currently a set of problems, namely:

- **unsystematic manner:** the sets of statistical, administrative, and other data used for local development management at the level of CTCs have no systematic approach, as each CTC forms these data sets independently, sourcing them from different origins of varying quality, and having different levels of access to the sources;
- **lack of official state statistical information:** the list of indicators recommended for the preparation of recovery and local documents in the system of state regional policy, spatial development, and urban planning does not contain full official state statistical information¹ primarily sourced from government statistical observations on the population and labor market, economic development and investments, and the CTC residents' living conditions and quality of life;
- **inconsistency of data from various sources:** this issue particularly concerns official population data provided by the State Statistics Service of Ukraine² and LG bodies, which use registers of CTCs as an additional source to determine this indicator. However, these registers are managed without a synchronized electronic data exchange system that connects to the State Migration Service's information system and other systems. In general, LG bodies also have limited or paid access to state registers and other information and communication systems regarding data on CTCs;
- **non-unified primary record forms³:** there are no unified forms, especially for household recording in town and village CTCs representing 72.1% of their total number. The forms are not mandatory, and paper document circulation prevails. As a result, CTCs and settlements within CTCs create local data with low quality;
- **access restriction on administrative and other types of data concerning CTCs due to confidentiality principles⁴:** the data gathered through state statistical observations regarding CTCs, including form 6-village council, is classified as confidential information. If central executive bodies are the data managers, CTCs have access only to information about their CTCs or to register data about a particular object in the register. Thus, conducting a comparative and strategic analysis of CTCs and developing local forecasts is limited.
- **non-unified local statistics information system:** state bodies and LG bodies, non-government, and other organizations provide information support for local decisions, introducing various information and analytical systems and presenting other digital solutions, particularly on a paid basis. However, local portals and existing information and analytical systems vary in information content, analytical capabilities for planning, monitoring, and evaluating local issues;
- **LGs' low capacity to formulate and utilize local statistics and program indicators of**

¹ The State Statistical Observation (SSO) Plan for 2024 includes 81 SSOs, of which 16 SSOs will result in 94 statistical indicators within the rayons of Ukraine's oblasts, and the results of 7 SSOs will yield only 23 indicators within CTCs.

² Official state population statistics as of February 1, 2022.

³ Read also the draft of the State Statistics Service of Ukraine (SSSU) Order "On Amendments to the Instructions for Keeping Household Records in Village, Town, and City Councils" in compliance with SSSU's Action Plan for Developing Regulatory Acts in 2024.

⁴ SSSU's Order dated December 30, 2022, #434 "On Approval of the Methodological Provisions for Ensuring Statistical Confidentiality of Official State Statistical Information." URL: <https://zakon.rada.gov.ua/laws/show/z0573-23#Text>

local monitoring: the following factors significantly impact the quality of generating and utilizing data on issues of local importance: insufficient level of human resource capacity, in particular, local executive officials' statistical literacy and analytical skills, paper document circulation, poor software and hardware support for data processing. Additionally, these factors reduce LGs' and executive bodies' capacities to monitor and evaluate the effectiveness of policies, programs, and projects. They also limit the capacity to establish program indicators for achieving strategic document goals, project performance, and the efficient utilization of public finances.

As a result, local statistics data are low-quality. According to the findings of the Ukrainian LG bodies' survey⁵ conducted in February 2024, 64,5% of CTCs are dissatisfied with the data quality due to its absence (19,6%) or unmet data needs (46,9%).

According to the Quality Declaration of the European Statistical System⁶, statistical data is the result of the functioning of the entire statistical system, comprising: (1) institutional environment, (2) statistical processes, and (3) statistical information as the outcome of statistical development. In the view of above, key factors contributing to the low quality of local statistics data in Ukraine encompass a non-unified and unharmonized methodological basis for statistical evaluation of indicators related to issues of local importance, poor national coordination of collecting, processing, analyzing, storing, protecting, and disseminating relevant statistical information, and the lack of an organizational and legal framework to ensure the implementation of these processes.

The methodological and legal framework for the systematical local statistics formation and development ensures data quality, enabling LG bodies to exercise their powers, implement transparency and accountability principles in public administration, and plan the restoration and development of the territories. Its absence necessitates defining conceptual approaches to reform Ukraine's statistical system and the introduction of local statistics with further institutional, programmatic, technical, personnel, and financial support for its implementation, considering best international practices.

3. THE PURPOSE OF THE CONCEPT IMPLEMENTATION

The purpose of the concept is to outline directions, mechanisms, and stages for establishing methodological, organizational, and legal foundations of local statistics in Ukraine, with a focus on wartime conditions, post-war development, and European integration tasks.

The concept implementation encompasses a coordination mechanism for the activities and interactions of state bodies, LG bodies, and other local statistics entities. The mechanism provides information and analytical support for the decision-making process related to the operation, restoration, and development of CTCs and territories.

4. KEY DEFINITIONS AND OBJECTS OF LOCAL STATISTICS

Local statistics is a system facilitating the development (data collection, processing, analysis, storage, protection) and dissemination of statistical information on social, economic, environmental, and other areas of local importance at the level of CTCs, their parts (settlements within CTCs), and/or their associations, including functional and other types of territories.

⁵ The survey was conducted within the framework of the “Comprehensive Research of Data Needs at Local Level and the Development of Municipal Statistics Concept and Respective Draft Law” project implemented with the support of the USAID HOVERLA Activity. 596 CTCs participated in the survey from February 6, 2024, to February 27, 2024. The Ministry of Community Development, Territories, and Infrastructure supported the survey.

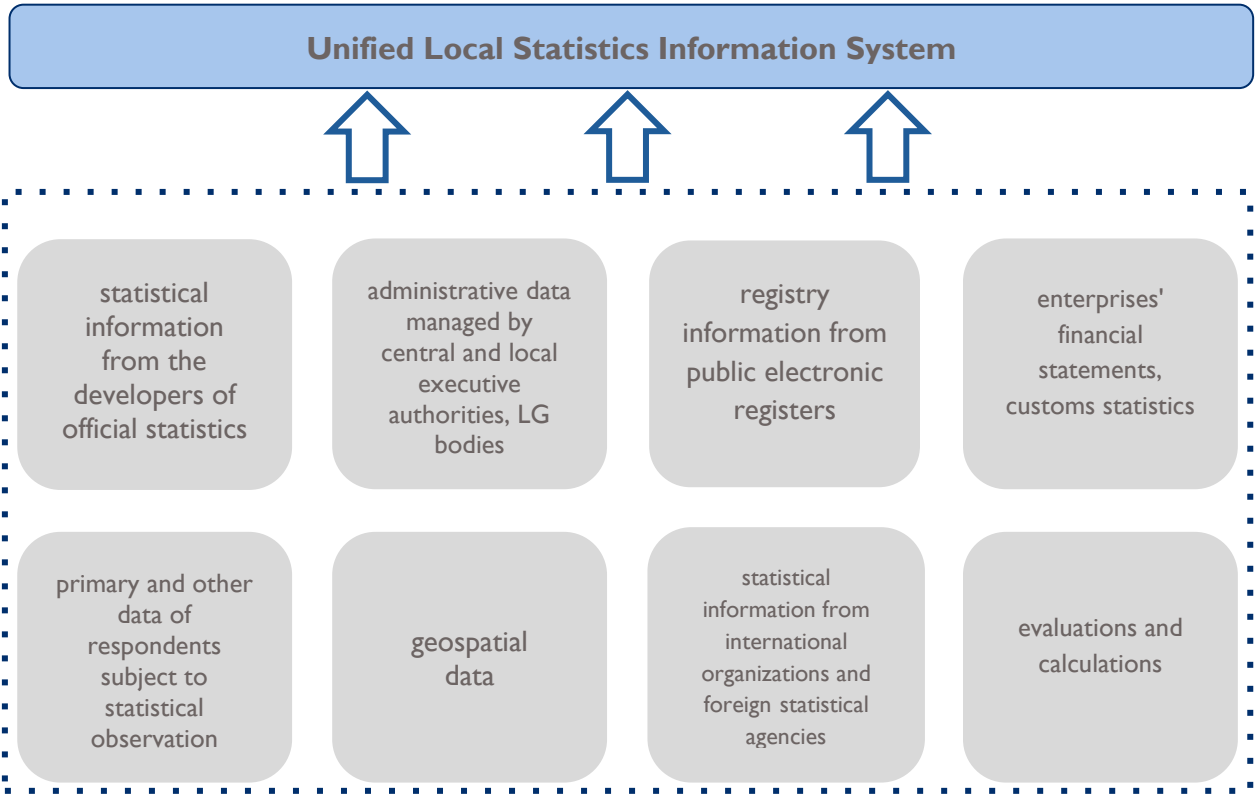
⁶ Quality Declaration of the European Statistical System. URL: <https://ec.europa.eu/eurostat/web/products-catalogues/-/ks-02-17-428>

Unified Local Statistics Information System (ULSIS) is an integrated multifunctional information and communication system that ensures the collection, processing, analysis, storage, protection, and dissemination of statistical information on issues of local importance⁷.

Statistical information on issues of local importance is documented information that summarizes the quantitative and qualitative characteristics of phenomena and processes in the economic, social, environmental, and other areas at the level of CTCs, their parts (settlements), and/or associations, including functional and other types of territories.

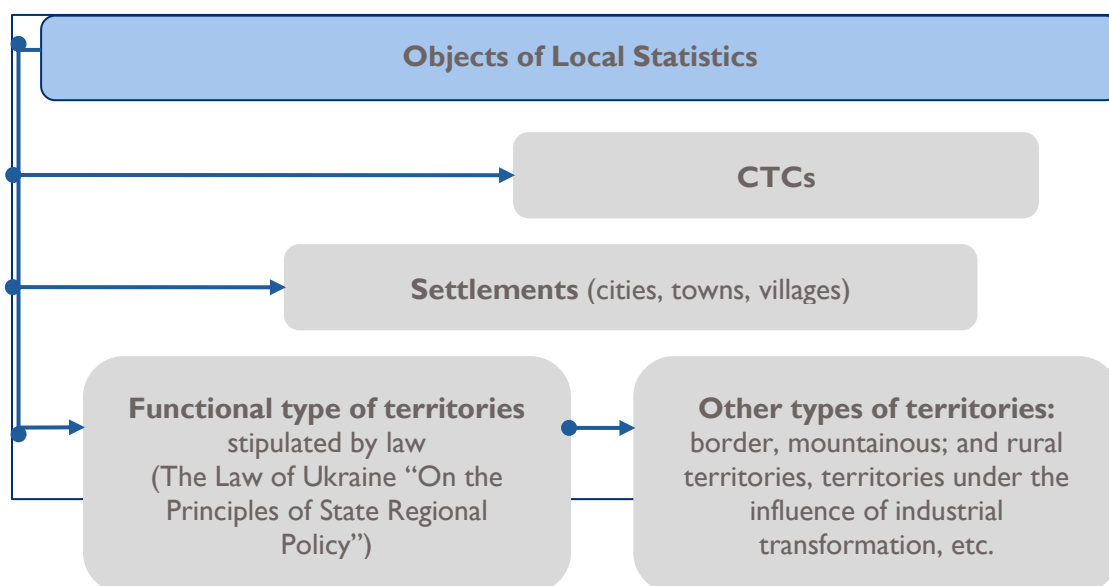
Data sources for local statistics are listed below:

- statistical information from the developers of official statistics;
- administrative data managed by central and local executive bodies, LG bodies;
- registry information⁸ from public electronic registers;
- enterprises' financial statements, customs statistics;
- primary and other data of respondents subject to statistical observation;
- geospatial data;
- statistical information from international organizations and foreign statistical agencies;
- evaluations and calculations based on the data mentioned in this section.



Objects of local statistics refer to mass phenomena and processes within CTCs, their parts (settlements) and/or associations, including functional and other types of territories.

⁷ The Concept interprets the term "issues of local importance" according to Part I of Article 143 of the Constitution of Ukraine.
⁸ According to the Law of Ukraine "On Public Electronic Registers," registry information is information, including information with limited access, created by software tools of the registry based on registry data, metadata, and other information provided for by this Law or its combination.



Functional type of territories⁹ refers to restoration territories, regional growth poles, territories with special development conditions, and sustainable development territories defined by the Law of Ukraine "On the Principles of State Regional Policy".

5. SPECIAL APPROACHES TO FORMING LOCAL STATISTICS IN MODERN UKRAINE

The Local Statistics Concept proposes an innovative and modern approach to formulating an integrated information and analytical system for local development management. This approach combines official state statistical information, administrative data, registry information from public registers, and other information communication systems. Thus, state bodies, local executive bodies, LG bodies, and other users will have prompt and cost-effective access to essential statistical information when traditional statistical observations are challenging. The approach aligns with best European practices, significantly increasing the quality of information support for local management decisions.

During Russia's military aggression against Ukraine, public registers and other information and communication systems lay the foundation for local statistics. They keep registry information about the population, educational institutions, businesses, real estate properties, land plots, and other objects that are difficult or impossible to obtain through traditional statistical observations.

Key public registers and other information and communication systems, whose data should be used in local statistics, encompass:

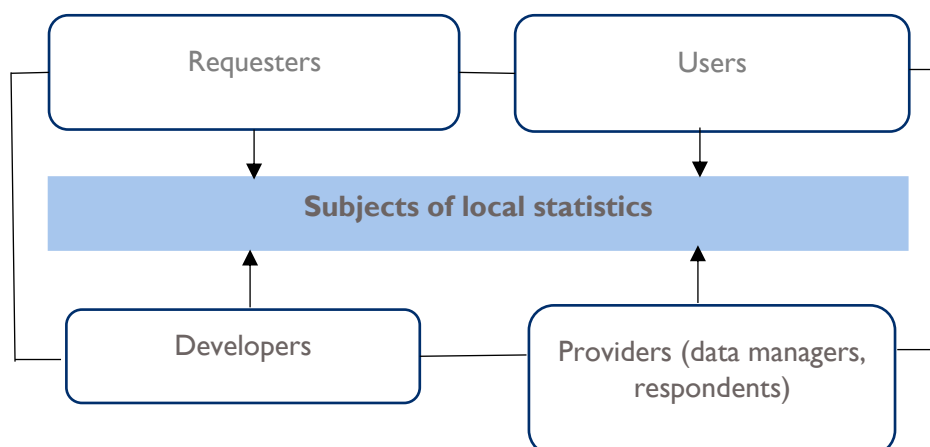
- Unified State Demographic Register
- State Register of Civil Status Acts
- Unified State of Legal Entities, Individual Entrepreneurs and Public Organizations
- State Register of Immovable Property Rights
- State Land Cadaster
- Unifies State Electronic System in the Construction Sector
- Unified State Register of Vehicles
- Unified State Register of Addresses

⁹ The Law of Ukraine "On Principles of State Regional Policy," Article 11-2 URL: <https://zakon.rada.gov.ua/laws/show/156-19#top>

- Register of Statistical Units¹⁰
- Other sectoral and departmental registers and information systems

6. SUBJECTS OF LOCAL STATISTICS

Subjects of local statistics are participants in the processes of (i) requesting; (ii) developing and disseminating; (iii) providing; and (iv) utilizing statistical information on issues of local importance.



Local statistics are compiled at the following administrative levels: national, regional, and local.

Requesters of local statistics are central executive bodies and their territorial bodies, local executive bodies, LG bodies, all-Ukrainian LG associations, enterprises, institutions, organizations, international organizations, and individuals who form an official request for statistical information on issues of local importance.

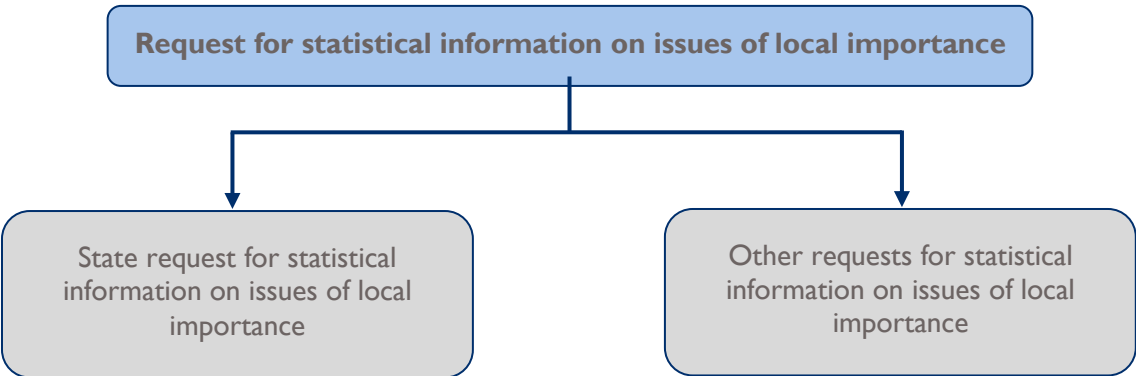
REQUESTORS OF LOCAL STATISTICS

Groups	Requesters
State bodies	<ul style="list-style-type: none"> • Central executive bodies and their territorial bodies • Local executive bodies
LG bodies	<ul style="list-style-type: none"> • City, town, and village councils • LG bodies at the rayon and oblast levels
Other requesters	<ul style="list-style-type: none"> • Legal entities: enterprises, institutions, organizations • International organizations • Individuals

Request for statistical information on issues of local importance is an official request to developers of local statistics, other government agencies, or non-governmental organizations for statistical

¹⁰ Register of Statistical Units (hereinafter referred to as the RSU) is an automated information system designed to collect, accumulate, protect, process, disseminate, use and store data on statistical units URL: <https://ukrstat.gov.ua/edrpoj/prso.htm>

information on social, economic, environmental, and other areas of local development at the level of CTCs, their parts (settlements), and/or their associations, including functional and other types of territories.



State request for statistical information on issues of local importance serves as a tool for state regulation to provide society and the state with unbiased and objective statistical information on issues of local importance.

A state request for statistical information on issues of local importance is fulfilled through:

- **state statistical observations** conducted by state statistical agencies and other developers of official statistics listed in the Plan of state statistical observations;
- **statistical and other works of the specially authorized body on local statistics** and central executive bodies, excluding the developers of official statistics.

State bodies, LG bodies, and requesters can make **other requests for statistical information on issues of local importance**, which are fulfilled through statistical observations and various types of statistical work according to the current legislation.

The developers of local statistics ensure the collection, processing, analysis, storage, protection, and further dissemination of statistical information on issues of local importance at the national, regional, and local levels.

The developers of local statistics include state statistical agencies, other governmental bodies, LG bodies, and non-governmental organizations that conduct state and other statistical observations, providing statistical information on issues of local importance.

DEVELOPERS OF LOCAL STATISTICS

Groups	Developers
Developers of official statistics	<ul style="list-style-type: none"> • Central executive body on statistics, enterprises, institutions, and organizations under its control • National Bank of Ukraine • Central executive body that ensures the formation and implementation of state financial policy
Developers of other statistical information on local development issues	<ul style="list-style-type: none"> • Central executive bodies and their territorial subdivisions, excluding state statistics bodies • LG bodies

DEVELOPERS OF LOCAL STATISTICS

Groups

Developers

- Research and analytical centers
- Public associations
- Other developers (international and European organizations, etc.)

The providers of local statistics are administrative data managers, custodians of public register data, administrators of other information and communication systems, and respondents who, according to the law and/or agreements on information exchange resources, provide administrative and other data to the developer and/or requester of local statistics for the formation of a unified information system.

PROVIDERS OF LOCAL STATISTICS

Groups

Providers

Providers of administrative data

- State bodies (except for state statistics bodies) - custodians of public registers and/or information and communication systems
- LG bodies
- Other legal entities defined by law

Providers of primary data - respondents

- Legal entities, their separate subdivisions
- Private entrepreneurs
- Individuals

The users of local statistics include individuals, legal entities, and public organizations, which use statistical information on issues of local importance through general access, special access, and/or electronic information interaction.

USERS OF LOCAL STATISTICS

Groups

Users

LG bodies, LG Associations, and Unions

- Territorial communities (residents)
- Town, village, and city councils
- Oblast and rayon councils
- Mayors of towns, villages, and cities
- Executive bodies of town, village, and city councils
- Starostas
- Self-organization bodies of the population
- All-Ukrainian LG associations and their regional subdivisions

Local executive bodies

- Oblast military/state administrations
- Kyiv city state administration
- Council of Ministers of the Autonomous Republic of Crimea
- Sevastopol city state administration
- Rayon military/ state administrations

USERS OF LOCAL STATISTICS

Groups	Users
Central executive bodies	<ul style="list-style-type: none"> • Ministers, Services, Agencies, Inspections • Central executive bodies with special status • Other central executive bodies • Territorial bodies of central executive bodies
Business entities, institutions, organizations	<ul style="list-style-type: none"> • Business entities • Budget institutions and organizations • All-Ukrainian and regional LG associations • Other public associations • National and foreign investors
Educational and scientific organizations	<ul style="list-style-type: none"> • Higher education institutions, other educational institutions • Institutions in the structure of the National Academy of the Science of Ukraine • Other research and analytical centers
Other users	<ul style="list-style-type: none"> • International organizations • Independent experts • Regional development agencies • Other individuals and legal entities

7. PRINCIPLES OF LOCAL STATISTICS¹¹

The principles of local statistics lay the foundation for the formation and development of local statistics and align with the principles of official statistics. They encompass initial methodological and organizational provisions that ensure the quality of statistical information on issues of local importance, facilitating effective management and informed decision-making.

7.1. Principles of public management and administration:

- **spatial integrity and completeness** of statistical activities related to local statistics development consider the unity of the socio-economic space of the entire territory of the state, as well as the diversity of functional areas and objects of local development management;
- statistical activities on local statistics development are organized based on a combination of centralization and decentralization processes, **harmonizing national, regional, and local interests**;
- **compliance with international standards and methodology** – statistical activities on data collection and analysis should comply with international standards and methodology to ensure comparability of statistical information on issues of local importance at different levels, including statistical classifications of territorial units;
- **powers** – the developers of local statistics are authorized to collect, store, process, analyze, protect, and disseminate statistical information of local importance at the national, regional, or local levels;
- **responsibility and accountability** – the developers of statistical information are responsible for the quality and reliability of data of local importance to requestors, users, and society;

¹¹ The principles of local statistics are aligned with the principles of official statistics in Ukraine to organize and execute statistical activities, ensuring the quality of statistical information on issues of local importance.

- **proper resource provision** is essential for local statistics development supported by the necessary financial, material-technical, and human resources at the central, regional, and local levels. Funding should be predictable and sustainable.

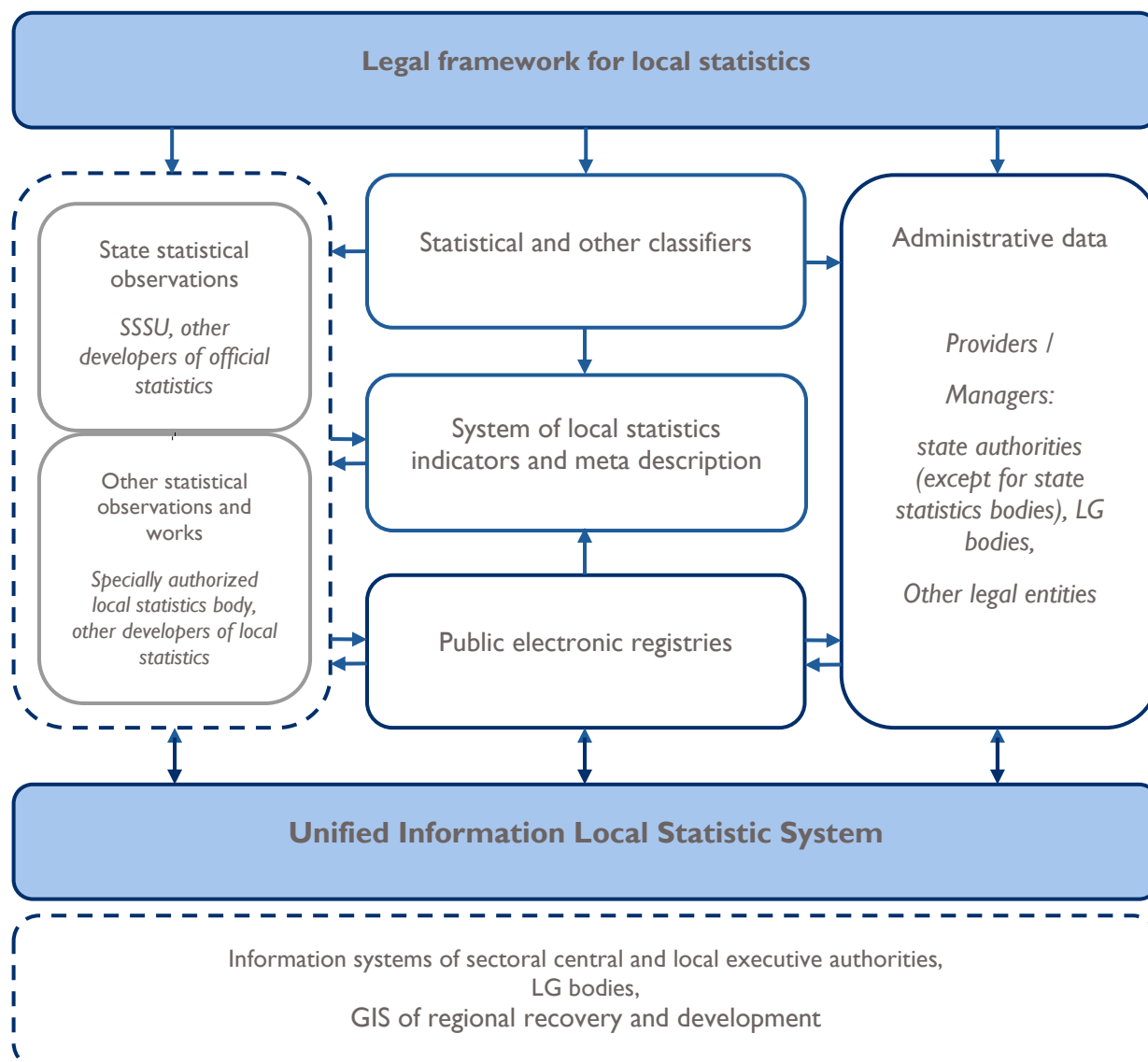
7.2. Principles of information relations:

- **unified methodological approaches** to the collection, storage, protection, processing and analysis of data on issues of local importance to ensure their consistency and comparability at the national, regional, or local levels;
- **standardization** – development, and application of generally accepted standards and technologies for data formatting, coding, and transmission, methods of data storage in the processes of production and dissemination of local statistics;
- **interoperability**–information systems of different levels (local, regional, national) interact and exchange data to ensure their compatibility and joint use for analysis and decision-making;
- **technical compatibility** – compatible technical and software tools are used to ensure efficient data exchange for local statistical needs, including establishing mechanisms for automated data exchange between statistical accounting systems;
- **information security** – there is a high level of protection of local statistics data during its transfer and processing between different information systems;
- **innovation and development** – the developers of local statistics systematically evaluate their activities to enhance data production and dissemination. They implement innovative methods and technologies for data collection, storage, protection, and information exchange to ensure the quality and efficiency of statistical operations.

8. GENERAL STRUCTURE OF LOCAL STATISTICS

The general structure of local statistics is formed based on separate but interconnected statistical and other tools for the collection, storage, processing, analysis, exchange, and dissemination of statistical information on various local areas, as well as the formation of the single integrated information system characterized by the coordination of data with a high level of unification.

General structure of local statistics



The basic statistical and other tools forming the local statistics structure are as follows:

- legal framework for local statistics;
- principles of local statistics;
- system of indicators and meta descriptions' base of local statistics;
- key statistical and administrative classifications;
- state statistical surveys, statistical surveys of a specially authorized local statistics body, and other developers of local statistics;
- public and non-public electronic registers;
- set of hardware and software that ensures collection, processing, analysis, storage, protection, and dissemination of statistical information on issues of local importance (Unified Information Local Statistics System).

Legal basis for local statistics

The following documents constitute the legal base for the formation, functioning, and development of local statistics in Ukraine:

1. Constitution of Ukraine, which defines the citizens' right to access information and the obligation of state and local bodies to ensure access to public interest data.
2. Association Agreement between the European Union, the European Union Atomic Energy Community, and its Member States, of the one part, and Ukraine, of the other part (ratified with the statement with the Law of Ukraine #1678-VII dated 16.09.2014), which in Chapter 5 of Title V "Economic and Sector Cooperation" governs the statistics reform in Ukraine, namely on strengthening the capacity of the national statistics system (namely in local statistics), paying special attention to a reliable legal base, proper data, and metadata dissemination policy, user-friendliness, etc.
3. Law of Ukraine "On the National Geospatial Data Infrastructure," which sets the legal and organizational grounds for the creation, functioning, and development of the national geospatial data infrastructure aimed at ensuring efficient managerial decision-making by state and LG bodies, satisfaction of the needs of the society in all types of geographical information.
4. Law of Ukraine "On Official Statistics," which recognizes the legal grounds for the conduction of official statistics and is aimed at the creation of an integral, efficient, and socially oriented system of official statistics in Ukraine. The Law sets the main principles of the organization of official statistics.
5. Law of Ukraine "On Access to Public Information," which ensures the transparency and openness of public bodies' activities and established mechanisms for guaranteeing each person access to public information, including statistical data.
6. Law of Ukraine "On Local Governance in Ukraine," which records LG bodies' rights to obtain statistical information required for them to exercise their powers, and the obligation of state bodies, enterprises, institutions, and organizations to provide such information.
7. Law of Ukraine "On Personal Data Protection," which regulates the legal relations connected with the protection and processing of personal data and covers the conduction of statistical activity, as per the requirements of the General Data Protection Regulation (GDPR).
8. Laws of Ukraine "On Electronic Trust Services," "On Electronic Documents and Electronic Records Keeping," and "On Information Protection in Information and Telecommunication Systems" establish the legal basis for electronic information interaction between local statistics entities' information protection in local statistics systems, namely with account of the requirements of NIS Directive.
9. Laws of Ukraine, which define the legal principles of implementation of the state regional policy, strategic planning of development of territories, urban planning, spatial planning, etc. ("On the Principles of State Regional Policy," "On State Forecasting and Preparation of Ukraine's Economic and Social Development," "On Regulation of Urban-Planning Activity," "On Strategic Assessment," etc.) and stipulate the utilization of statistic data for the justification and monitoring of the relevant policies and programs.
10. Certain laws governing the issue of creation and functioning of state registers, cadasters, and information systems constituting potential sources for local statistics (Laws "On the State Land Cadaster," "On State Registration of Substantive Rights for Immovable Property and Their Encumbrances," "On the Unified State Demographic Register," "On the State Register of Voters," etc.).
11. European Charter of Local Self-Government, which recognizes the importance of statistical information for regional bodies to exercise their functions and stipulates their right to obtain statistical data processed on the central level.

12. Directive 2007/2/EC (INSPIRE), which establishes the basis for the creation of the EU spatial information infrastructure to support the community's environmental policy and policy or activity potentially affecting the environment.

13. Regulation (EC) #223/2009 on European statistics, which establishes the legal basis for the development, formation, and dissemination of European statistics according to the principles of statistical ethics, transparency, and accountability.

14. Decrees of the President of Ukraine, CMU Resolutions, orders of central executive bodies, LG bodies, governing certain aspects of local-level statistical activity and approving the methodologies and forms of statistical reporting, defining the powers of bodies on data collection, dissemination, etc., with account of the recommendations and EU standards in the sphere of statistics (e.g. European Statistics Code of Practice).

15. Other legal acts of Ukraine.

Legal framework for local statistics in Ukraine will be formed based on the harmonization of the national laws, and other regulatory acts with the European legal norms, standards, and best practices. This will ensure the integrity and adaptability of the legal norms of local-level statistical activity in line with Ukraine's EU integration development vector.

9. LOCAL STATISTICS BODY IN UKRAINE

Local statistics should be organized as a national centralized system that envisages a clear definition of the powers of its entities and the mechanism of their interaction and coordination of their activity.

LOCAL STATISTICS CENTER

To fulfill the state request for statistical information on issues of local importance, the **Cabinet of Ministers of Ukraine is expected (or its authorized body) to establish the Local Statistics Center as a specially empowered local statistics entity**¹² in the form of a state non-commercial enterprise or institution.

In the conditions of limited resources during martial law, the Local Statistics Center is based on an existing enterprise (institution) with the relevant competencies and powers for ensuring a quality process of formation and spreading of local statistics in Ukraine. This will meet the EU recommendations and international standards. All-Ukrainian LG associations can be involved in establishing such an authorized body in line with international experience.

The Local Statistics Center owns and manages the integrated database and the Unified Information Local Statistics System.

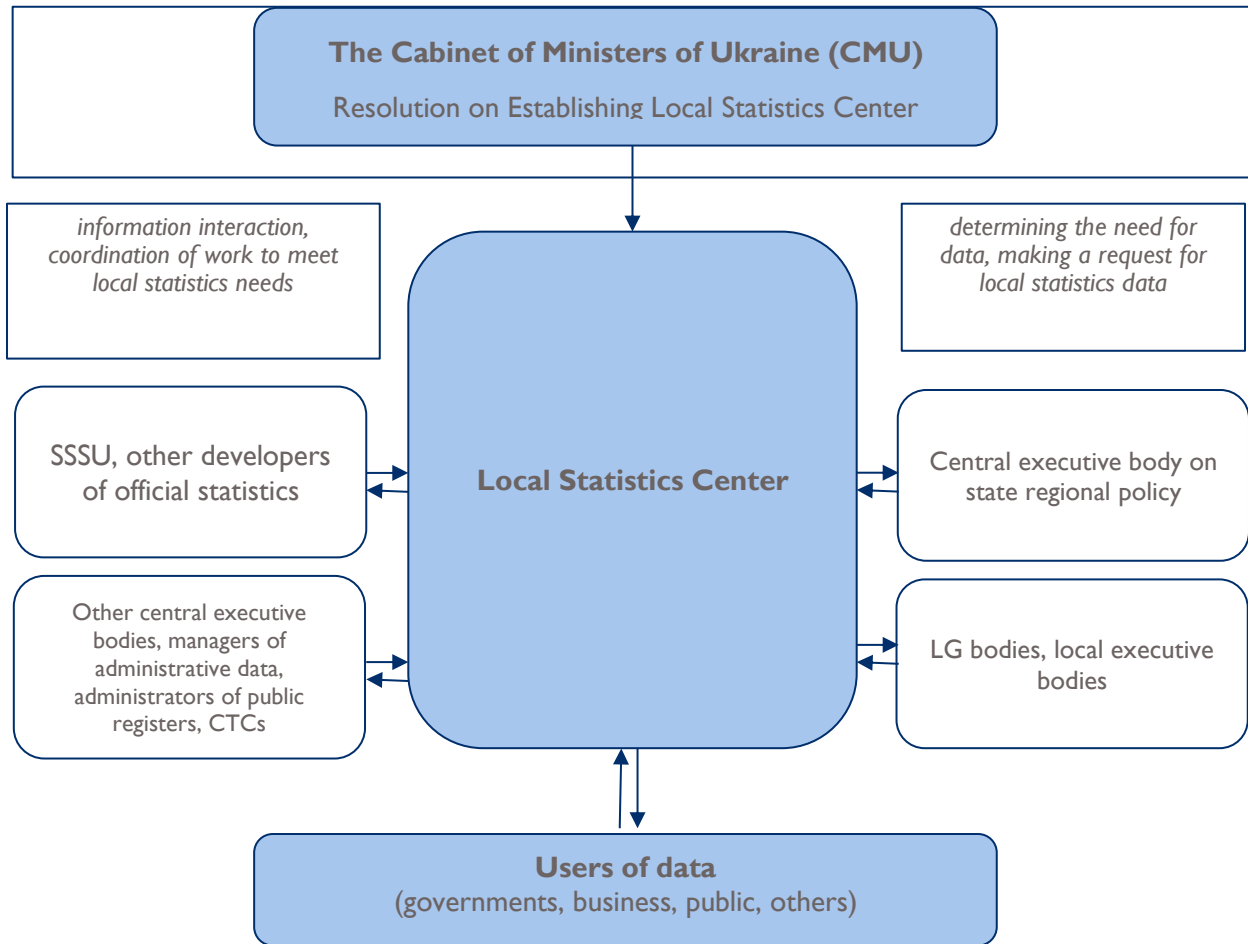
The Local Statistics Center:

- 1) produces and disseminates information on the local social, economic, environmental, and other spheres at the level of CTCs, their parts (settlements) and/or their associations, including functional and other types of territories;
- 2) ensures relevance, trustworthiness, alignment, comparability, accessibility, clarity of statistical information on issues of local importance;

¹² The proposed title is indicative. At the first stage of the formation of local statistics as a component of the statistical system of Ukraine (as an option), the founders of such an institution may be the central executive body for policy-making in the field of statistics, the central executive body for community development and regional policy and the central executive body for digitalization with the appropriate distribution of participation, powers, tasks and the established mechanism of interaction, staffing, resources, and financial support.

- 3) interacts with the information systems of state statistics bodies and other entities developing official statistics on electronic mutual exchange and usage of data sets of official state statistical information at the level of CTCs, their parts (settlements), and/or their associations;
- 4) interacts with providers of administrative data of state and LG bodies, information and communication systems of owners of public electronic registers for the production and dissemination of statistical information on issues of local importance;
- 5) jointly with the Ministry of Digital Transformation, SSSU, and other central executive bodies participate in methodological, program and technological, and other works aimed at the efficient utilization of the information resources of public electronic registers, other information and communication systems for the needs of local statistics;
- 6) organizes work on the creation of an integrated database and of the Unified Local Statistics Information System;
- 7) ensures personal data protection through organizational and technical measures, including via the creation of a comprehensive system of information protection with confirmed compliance;
- 8) implements the latest information technologies, including Big Data, BI, geoinformation systems, and artificial intelligence into the process of development and dissemination of statistical information on issues of local importance;
- 9) acts as data providers for the state regional policy and LG development, including the Geoinformation System of Regional Development, other information and communication platforms, and line ministries;
- 10) forms proposals to the system of local statistics indicators in the state request for statistical information on issues of local importance according to the needs of users for inclusion into the Plan of State Statistic Observation and/or statistical and other works for the formation of the state order;
- 11) organizes works on the development, improvement, and implementation of the methodology of statistical information on issues of local importance, not stipulated by the Plan of State Statistical Observations, and submits in the established procedure the relevant proposals for the review and approval of the State Statistics Service of Ukraine;
- 12) participates in the development of the methodology, typical electronic forms of primary, namely household accounting, their systematization and unification in LG bodies, including based on the results of studying best practices in LG bodies, for the need of LED management and local statistics;
- 13) works out proposals on the definition of prospective issues and directions of local statistics development, ensuring constant improvement of the quality of statistical information on local issues for their inclusion into the long-term program of official statistics development;
- 14) develops international cooperation on local statistics issues, including the informational and analytical support of the development of cross-border territories.

Local Statistics Center Operation Diagram



POWERS OF LOCAL STATISTICS SUBJECTS – LG BODIES AND STATE BODIES

LG bodies (city, town, and village councils):

- form proposals to the system of local statistics indicators in the state request for statistical information on issues of local importance per the powers, procedure, and form of presentation established by law;
- ensure maintenance of primary including household accounting as per the approved methodology for the formation of local-level statistical indicators;
- maintain registers on the local level, the local information system of local statistics as per the legislation and approved methodology for the formation of a part of the local-level statistics indicators based on registers;
- within their powers, submit administrative and other data according to the established procedure to a specialized local statistics body under agreements on the mutual exchange of information resources.

Central executive bodies and other state bodies:

- **central executive bodies on statistics** (State Statistics Service of Ukraine and its territorial bodies) and other developers of official statistical information –
 - 1) ensure the development of a unified statistical methodology on local statistics;
 - 2) following the established procedure and within their powers, participate in developing and disseminating statistical information on issues of local importance.

- **central executive bodies on implementation of the state regional policy**
 - 1) ensure coordination of activity on the formation of proposals to the system of local statistics indicators on the national/central level in the Plan of State Statistical Observations, State Request for statistical information on issues of local importance according to their powers, proposals to the Local Statistics Center, local executive bodies, LG bodies;
 - 2) following the established procedure and within their powers, take part in developing and disseminating statistical information on issues of local importance;
- **central executive bodies – managers of administrative data, public registers, custodians /administrators of information and communication systems:**
 - 1) provide necessary data for the formation of statistical information on issues of local importance under agreements on exchange with information resources;
 - 2) participate in methodological, program, technological, and other works aimed at the efficient utilization of information resources of public electronic registers, and other information and communication systems for local statistics needs;
- **central executive bodies and their territorial bodies – requestors and users** of statistical information on issues of local importance, following the templates and procedure of submission, within their powers, develop proposals to the system of local statistics indicators in the state request for statistical information on issues of local importance.

10. SYSTEM OF LOCAL STATISTICS INDICATORS AND THEIR META DESCRIPTIONS

The system of local statistics indicators is a set of interconnected statistical indicators that comprehensively characterize scientifically justified social, economic, environmental, and other local areas at the level of CTCs and their settlements

The system of local statistics indicators incorporates:

- information needs of state bodies, LG bodies, which resolve national, regional, and local issues according to their powers;
- peculiarities of the territorial organization of power in Ukraine;
- variety of functional spheres and local development management objects;
- dynamic nature of the needs in data among various user categories.

The systemic principle in the formation of local statistics indicators is implemented based on the following methodological approaches.

The managerial approach ensures the incorporation of one of the main criteria of the quality of statistical information –relevance, i.e. whether statistical information meets the users' needs.

The program performance approach is the logical continuation of the managerial approach because it is oriented to the fulfillment of managerial functions and powers via the definition of local goals and the development of their implementation plans and programs.

The geospatial approach is oriented to the definition of the areas of coverage by local statistics and detailing indicators according to territorial units. The basic types of such units are CTCs, their settlements, and rayons of Ukrainian oblasts, the derivative types are functional and other types of territories.

The functional approach envisages the formation of sets of local statistics indicators according to local areas (social, demographic, economic, environmental, and other spheres) as per the powers of state bodies, LG bodies, and with the purpose of their efficient fulfillment.

The institutional approach is oriented to the need for the regulatory framework to organize the collection, storage, processing, exchange, and dissemination of local statistics indicators using a clear definition of its requestors, developers of local statistics, users of local statistics, and the relevant powers.

The sociological approach allows to take account of the diversity and dynamic nature of information needs of various local statistics user categories and envisages the importance of usage of not only quantitative but also qualitative data on issues of local importance, namely based on the sociological survey findings.

The approximate list of local statistics indicators is organized by industries and sections of official statistics in Ukraine, Eurostat Statistical Subject Areas, and data is given in Annex I.

II. INTERNATIONAL STANDARDS IN THE FORMATION OF THE SYSTEM OF LOCAL STATISTICS INDICATORS

When determining the list and methodology of the formation of local statistics indicators, it is important to ensure their compliance with the best global practices and international statistics standards, namely the series of ISO 371XX "Sustainable Development in Communities."

This series of standards developed by the International Organization for Standardization (ISO) contains a set of unified indicators for measuring various aspects of the sustainable development of cities and CTCs. Apart from the basic standard DSTU ISO 37120 "Indicators for Sustainable Cities", the series includes the following sector standards:

- ISO 37122 "Indicators for Smart Cities" contains 80 indicators for the implementation of digital and innovational solutions in urban planning, management, and services rendering;
- ISO 37123 "Indicators for Resilient Cities" includes 68 resilience and adaptability indicators of cities towards the challenges of natural disasters, emergencies, consequences of climate change, etc.;
- ISO 37124 "Guidance on the use of ISO 37120, ISO 37122 and ISO 37123" consists of 56 indicators of the well-being of residents, urban spaces, interaction within a community, etc.;
- ISO 37125 "Environmental, social, and governance (ESG) indicators for cities" covers 89 indicators of energy efficiency, sustainable production and consumption, and closed circles of resource utilization.

This system of standards forms a comprehensive framework for evaluating cities and CTCs on their way to sustainable development in line with economic, social, environmental, and managerial aspects. The system provides a scientifically justified basis for strategic planning, monitoring, and evaluating the efficiency of policies and projects at the local level, and the exchange of best practices.

An important advantage of the ISO 371XX series standards is their orientation on the usage of data for decision-making. Most indicators can be calculated based on official statistical data, administrative registers, and other reliable information sources. This makes them a convenient tool for implementing the evidence-based policymaking approach at the local level.

When forming the national system of local statistics indicators, it is advisable to:

1. Hold a comprehensive analysis of the indicators of all ISO 371XX series standards and evaluate the possibility of their calculation for Ukrainian cities and communities using the available information support.
2. Gradually include ISO 371XX indicators or their national equivalents into the list of local statistics indicators to the extent of the development of its information base and methodology.
3. Harmonize the methodology of the calculation of the relevant local statistics indicators as per the requirements of ISO 371XX standards.
4. Use the indicators envisaged by ISO 371XX standards, when preparing and monitoring development strategies and programs of Ukrainian cities and CTCs.

5. Encourage Ukrainian cities and CTCs to participate in international comparative research according to the methodology of ISO 371XX standards for exchanging experience and best practices.

ISO 371XX series standards must become an important benchmark for building up a modern, innovative local statistics system in Ukraine, useful for management. It is advisable to vest the coordination of ISO 371XX standards' adaptation onto the Local Statistics Development Center at the State Statistics Service in cooperation with interested central and local bodies, LG associations, experts, and scientists.

12. SPECIAL STATISTICAL AND OTHER SURVEYS AND STATISTICAL WORKS ON ISSUES OF LOCAL IMPORTANCE

Special statistical and other surveys and additional statistical works are important tools for obtaining information in the form of quantitative and qualitative data. They are focused on the comprehensive study of various aspects of CTCs' development, including the evaluation of the quality of life of the population, the status of the infrastructure, the environmental situation, management efficiency, etc.

To monitor the achievement of the Sustainable Development Goals, surveys of the life quality in CTCs must be conducted, and requested by LG bodies and/or central or local executive bodies. In EU countries, such surveys are a component of local statistics evaluating the level of satisfaction of community residents with various aspects of life, such as:

- accessibility and quality of educational, health care, administrative, and other public services;
- provision of culture, leisure institutions, and sports infrastructure;
- life security, crime level;
- satisfaction with the condition of roads, water supply, and sewage utilities, hard landscaping;
- convenience of transport connection, organization of passenger transportation;
- employment possibilities, income level, and purchasing power;
- ecological living conditions, quality of potable water and atmospheric air, etc.

The survey tools harmonized on the international level (questionnaires, methodologies of sample formation, etc.) will help compare the life quality level in Ukraine and EU countries.

The other important areas of special research are listed below:

- **study of sociodemographic characteristics within the vulnerable population categories** (disabled people, families with many children, internally displaced persons, etc.), their needs for social support and public services;
- **evaluation of the quality and accessibility of transport infrastructure**, including access for people with disabilities;
- definition of the actual quantity of users of public services in the fields of education, health care, and social protection for the calculation of the volumes of their financing;
- **count** of green plantations, natural and recreation territories within CTCs;
- **monitoring** of energy efficient technologies and renewable energy sources in housing stock and budget institutions.

The special survey findings on issues of local importance serve as a valuable information resource to develop strategies and programs for CTCs' development and evaluation of the efficiency of LG bodies' activity. Therefore, the survey findings should be used in management practice, along with official statistics data.

13. PERSONAL DATA PROTECTION IN LOCAL STATISTICS SYSTEM

Personal data are collected, processed, stored, and disseminated within the system of local statistics according to the legislation on personal data protection.

The Local Statistics Center ensures personal data protection through organizational and technical activities, including an information protection system with confirmed compliance.

Among others, pseudonymization – replacement of personal identification data (surname, name, patronymic, address, etc.) with a nominal identifier (pseudonym) – can be one of the key methods of personal data protection in the local statistics system, allowing to process data without knowing a specific individual.

The implementation of pseudonymization in the local statistics system entails the following:

- 1) development of a methodology for pseudonymizing personal data, approved by the Local Statistics Center. The methodology includes:
 - algorithms for generating pseudonyms;
 - procedure for replacing personal data with pseudonyms;
 - procedure for storing keys (the connection between pseudonyms and real data);
 - procedure for depersonification (deleting keys);
- 2) pseudonymization in collecting, processing, and storing personal data in the municipal statistics data register. In this case, pseudonymized data should be used by default for all processing cases, except when the use of actual personal data is absolutely necessary and justified;
- 3) separate and secure storage of keys that allow an individual to be identified by a pseudonym. Access to the keys should be strictly limited and controlled;
- 4) regular depersonification of data through the deletion of keys after the expiry of the period required for the achievement of the goal of personal data processing;
- 5) regular audits and assessments of the risks of the pseudonymization system to ensure its efficiency and compliance with the legislation.

The local statistics center ensures the development of the necessary software and infrastructure to effectively implement pseudonymization within the local statistics system.

14. MAIN TASKS AND ACTIVITIES AIMED AT RESOLVING THE LOCAL STATISTICS PROBLEM

1. DEVELOPMENT OF THE INSTITUTIONAL FRAMEWORK FOR LOCAL STATISTICS:

- establishment of the legal framework for the formation of local statistics in Ukraine (development and adoption of the relevant draft law and CMU regulatory acts on its implementation);
- legal regulation of the powers of central and local executive bodies, LG bodies, and other subjects involved in the development (data collection, processing, analysis, storage, and protection) and dissemination of local statistics data as well as their resource and financial support;
- creation of a specially authorized local statistics body (upon the CMU decision);
- preparation of a detailed Action Plan (roadmap) for implementing and ensuring the functioning of the local statistics system.

2. FORMATION OF A UNIFIED LOCAL STATISTICS INFORMATION SYSTEM:

- A specially authorized subject of local statistics creates the integrated database and the Unified Local Statistics Information System, which help improve and provide electronic access to local statistics data and metadata:
 - preparation of the Terms of Reference for the formation of local statistics data and meta database;
 - creation and testing of the Unified Local Statistics Database;
 - development of the Geostatistical Portal for data visualization and analysis;
- development and approval of the Procedure for processing personal data and access to it for local statistics' needs;
- a comprehensive system of information protection and obtaining compliance certificates.

3. EXPANSION OF DATA SOURCES FOR LOCAL STATISTICS USING ADMINISTRATIVE DATA AND PUBLIC ELECTRONIC REGISTERS:

- development and implementation of organizational and technical provisions to the Procedure and process of the utilization, collection, and processing of data from registers, other information, and communication systems based on modern technological systems;
- development and implementation of the model for the activity and interaction of subjects of local statistics in collecting and processing data from administrative systems (registers and other information and communication systems) to meet local statistics' needs;
- development of the methodology of administrative data utilization, evaluation of their quality, rules of processing (control, adjustment, anonymization, imputation, synchronization), and interpretation;
- creation of the environment and conditions to utilize modern technologies and ensure communication during data exchange;
- establishing the IT environment for administrative data transfer and collection: source, data control, and correction;
- establishing the IT environment for the transfer and collection of meta information on the methods and rules of data utilization and processing and quality of the sources of administrative data sets;
- developing a methodology and implementing a practice for including program indicators in the local statistics system. These indicators will measure the achievement of goals for strategies, programs, and projects related to CTCs' development and the effective utilization of budget funds.

4. ENSURING DATA QUALITY

- implementation of the system of data quality management in local statistics bodies as per the national standards and best global practices;
- development and approval of evaluation methodologies of the quality of data obtained from various sources (state statistical observations, administrative registers, additional surveys, etc.);
- regular checks of the quality and cohesion of primary data obtained from respondents and administrative sources, cross-checking of data;
- implementation of automated algorithms for the detection of inconsistencies, errors, and outliers in primary data, and procedures of their correction;
- application of scientifically justified methods of integration and harmonization of data from various sources to form an integral and non-contradictory information base;
- development and implementation of the data quality management system based on ISO 9001 in LG bodies, which includes:
 - holding the audit of the current processes of work with data at LG bodies;
 - developing and documenting procedures to ensure data quality at each stage of their life cycle;
 - nominating responsible persons and division of responsibilities;
 - staff training;

- conducting regular data quality monitoring and control;
- conducting internal and external audits of the quality management system;
- certification of the data quality management system in LG bodies to ensure compliance with ISO 9001.

5. EXTENSION OF INTERNATIONAL COOPERATION AND INTEGRATION INTO THE EU STATISTICS SYSTEM:

- initiation of partner programs with EU countries, international organizations (Eurostat, UNECE), and other partners for the development of local statistics;
- implementation of twinning and other technical assistance projects aimed at enhancing the capacity of local statistics development in Ukraine;
- further adaptation of the national system of statistic units to EU standards as per Eurostat recommendations;
- adaptation of the methodology and practice of organizing local statistics in Ukraine to EU standards and recommendations;
- regular exchange of experience and best practices with developers of local statistics in EU countries;
- comparability and interoperability of local statistics data in Ukraine with data from EU countries.

6. STRENGTHENING LOCAL STATISTICS STAFF AND TECHNOLOGICAL POTENTIAL:

- development and implementation of training sessions and advanced training programs for the staff potential of LG bodies and other subjects of local statistics on data collection, analysis, and management;
- provision of LG bodies and other subjects of local statistics with the necessary hardware and software;
- proposing typical solutions to build up information and analytical systems for LG bodies and other subjects of local statistics;
- development and implementation of uniform data quality standards, procedures of data validation, and alignment with LG bodies and other subjects of local statistics bodies at all levels;
- training for employees of LG bodies, local executive bodies, and other stakeholders to ensure the quality and utilization of local statistics data, including artificial intelligence systems.

15. STAGES OF THE CONCEPT IMPLEMENTATION

The Concept is to be implemented in three stages:

Stage I (2024-2025):

- preparation and adoption of the relevant regulatory base for the functioning of local statistics, amending the relevant legislative acts;
- creation of new institutions required for organizing works on local statistics' functioning;
- preparation and approval of the list of local statistics indicators, and standardization of the methodology of their collection and processing;
- access to data from public registers and information systems for the Local Statistics Center and LG bodies;
- launch of pilot projects on local statistics data collection, processing, storage, exchange, and visualization in certain CTCs (experiment on local statistics implementation);
- transfer of local statistics data to the GIS system of regional development monitoring.

Stage II (2026-2028):

- creation of the data bank and geostatistical portal of local statistics, maintaining regular publications of open data;
- training and advanced training of the staff of the Local Statistics Center, LG bodies, local executive bodies, and other stakeholders on ensuring local statistics data quality and utilization;
- development and implementation of international technical assistance projects to strengthen local statistics capacity.

Stage III (starting from 2029):

- sustainable functioning and development of the local statistics system in Ukraine;
- achievement of a high level of accessibility, quality, and comparability of local statistics data, and their active usage in the management of CTCs' development;
- improvement of the methodology, system of indicators, data processing technology, and functioning of local statistics in Ukraine as per EU standards and recommendations.

The Concept implementation envisages a comprehensive approach to building up the local statistics system, involving a broad range of stakeholders – LG bodies, local and central executive bodies, the State Statistics Service of Ukraine, and international partners. The newly created Local Statistics Center will play the key coordinating role in this process.

16. EXPECTED RESULTS OF THE CONCEPT IMPLEMENTATION

The Concept implementation will contribute to the following:

- building up an integral and efficient local statistics system in Ukraine;
- strengthening the institutional capacity, and analytical potential of LG bodies for decision-making, transparency, and accountability of their activities;
- expanding the possibilities for the formation, monitoring, and evaluation of the efficiency of state regional policy implementation;
- enhancing the quality of local statistics data obtained from various sources, through the implementation of efficient data quality control and validation procedures;
- clear division of powers between the subjects of local statistics, maintaining efficient cooperation with them on the national, regional, and local levels;
- harmonizing local statistics in Ukraine with EU standards and best practices in this field.

17. SOURCES OF FINANCING

The Concept implementation will be financed from the state budget, local budgets, international technical assistance projects, and other sources not prohibited by the legislation.

The amounts of financing from the state budget will be determined on annual basis within the budget allocations stipulated by the main administrator of funds, responsible for the fulfillment of certain tasks and measures on the formation of local statistics.

In this case, the volume of financing of LG powers related to local statistics, delegated to them by the state, must be determined as per Article 143 of the Constitution of Ukraine and the Budget Code of Ukraine, i.e. must be conducted for the funds of the State Budget of Ukraine or through the attribution of certain national taxes to the local budget in the procedure stipulated by the legislation.

Specific mechanisms of such financing will be determined in a draft law prepared based on this Concept, in

line with the proposals of all stakeholders, including LG bodies and their associations. The volumes of financing from the budget funds and other sources not prohibited by the legislation will be determined during the preparation of the Action Plan on the Concept implementation. The process includes identifying specific tasks and activities, the scope of works, responsible executors, and expected results per each activity.

Preparing the financial and economic justification to the relevant draft law on the implementation of local statistics, responsible actors will calculate necessary funds in detail, considering the number of LG bodies, volumes of data to be collected and processed, implementation of the data quality management system at LG bodies, and other factors.