

***Raport anual  
de activitate***

**2004**

## **Content**

<b>Preface .....</b>	<b>2</b>
<b>Organizational Chart .....</b>	<b>3</b>
<b>Legal Framework .....</b>	<b>4</b>
<b>Strategic Development .....</b>	<b>6</b>
<b>Population Census .....</b>	<b>8</b>
<b>Social and Population Statistics .....</b>	<b>11</b>
<b>Economic Statistics .....</b>	<b>13</b>
<b>System of Registers and Classifications.....</b>	<b>17</b>
<b>Statistics for Society .....</b>	<b>18</b>
<b>International Cooperation .....</b>	<b>21</b>
<b>Regional Statistics.....</b>	<b>24</b>
<b>Information Technologies System.....</b>	<b>26</b>
<b>Human and Financial Resources .....</b>	<b>28</b>

*The Department of Statistics and Sociology of the Republic of Moldova (DSS) has prepared its second annual report to inform the wide public, suppliers and users of statistics about its activities and achievements in 2004, as well about its plans for the next year.*

*The DSS is a specialized agency of the central public administration entitled to manage all statistical activities and the system of reporting and statistical surveys in all branches of the national economy. For these purposes, the DSS applies a uniform methodology complying with the internationally accepted practice and adapted to the socio-economic conditions in the country.*

*The year 2004 was very good for the DSS: it was marked by significant improvements in the legislation and development of a statistics database, which are very important steps. The recently endorsed Law “On Official Statistics” enabled to enhance institutional capacities of the DSS; this law will allow reforming the national statistics system and bringing it in conformity with the relevant international standards. The major objective in the reported year was the population census: it mobilized significant human, material and financial resources. Although it had a late start, the activity was a success, and its results have been integrated with the Global Population Census 2000.*

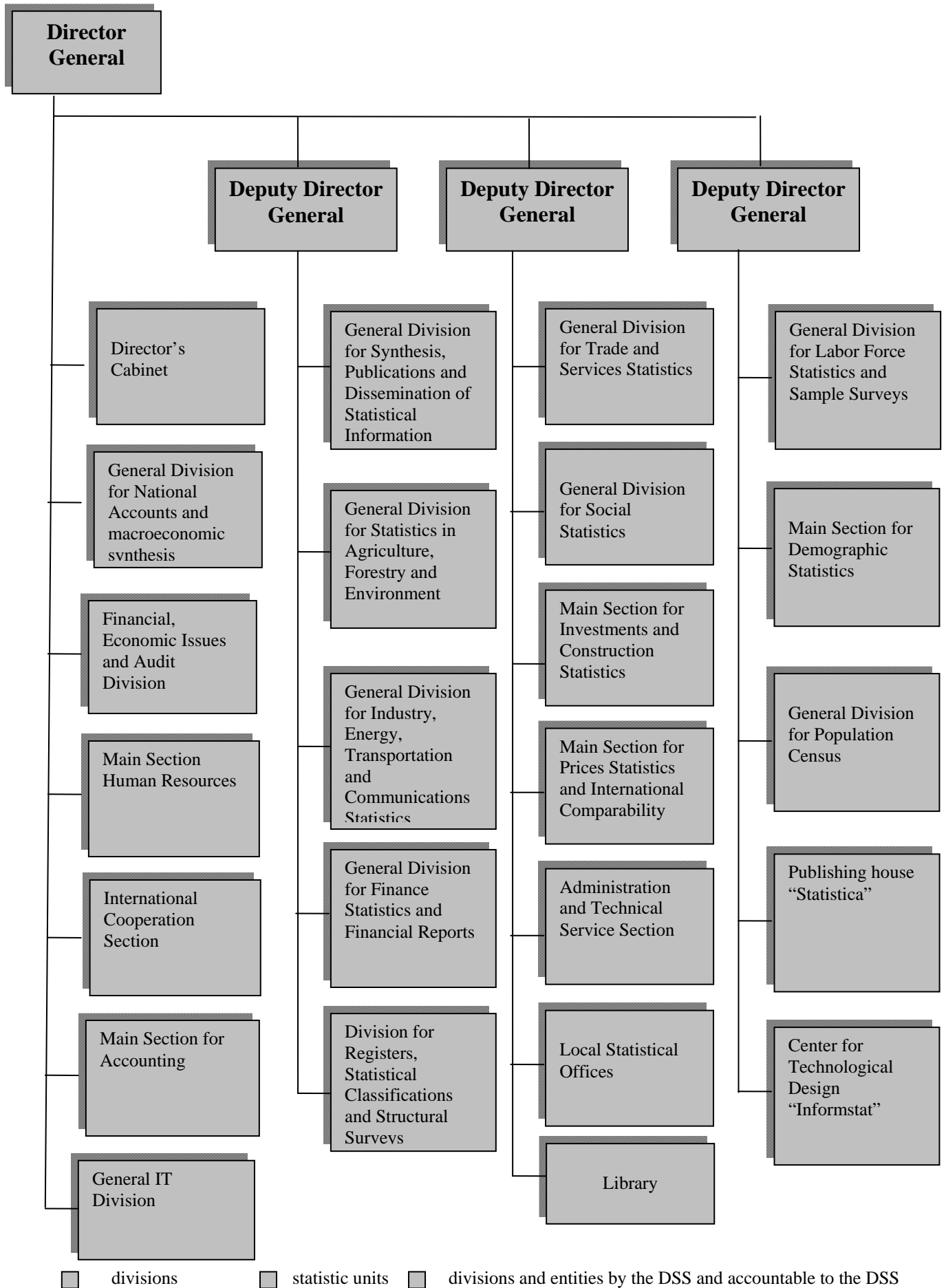
*The Program of Statistical Activities for year 2004 was approved through a Government Decision and implemented in conformity with the established schedule. It is worth mentioning that the system of official statistics of Moldova was subjected to a complex reform in the reported period, in order to meet the needs of public administration, businesses and general public for impartial and timely statistical information of good quality about the country’s demographic, social and economic situation and development.*

*International cooperation in the field of statistics was a priority in the reported period; it had a decisive impact on bringing the Moldovan statistics in compliance with the international standards, which is absolutely necessary in the context of Moldova’s political objectives: joining the international organizations and integrating with the EU. Elaboration of statistical information in conformity with the methodologies adapted to the international norms, first of all to the UN and EU norms, has a positive impact on Moldova’s image on international arena and improves investments in the country, export of local products etc., as well as enhances the country’s economic growth and welfare. In this context, the DSS made a lot of efforts during the reported year to improve the system of statistical indicators, their calculation methods and methods of data collection, in order to make them compliant with the international standards. With the help of the technical assistance from international organizations, the DSS specialists elaborated specific projects to address the areas where such adaptation of the national statistical system to the new socio-economic environment was most necessary.*

*Given the fact that statistical information provides the basis for substantiation and evaluation of economic and social policies and information of a wide range of internal and external users (and thus contributes to the country’s sustainable development and democratization of society), statistics should be regarded as everybody’s obligation, while collection of data meets the interests of the society in general and of each respondent in particular. In these conditions, the country’s official statistics will consolidate its image and occupy the place it deserves in a modern society.*

**Vitalie Valcov**  
**Director General**

## Organizational Chart



## Legal Framework

Statistical data are an indispensable element of the information system in any democratic society. To design such an element, it is necessary to draft a legal framework ensuring the whole process of collection, processing and dissemination of statistical data. Moreover, the public's trust in official statistics will depend on whether or not the legislation is observed.

The DSS follows Fundamental Principles of Official Statistics adopted by the 47<sup>th</sup> Session of the UN European Economic Committee on April 15, 1992.

Until 2004, organization of statistical activities relied on the Law of the Republic of Moldova "On Statistics" No. 412-XII adopted on December 18, 1990. Later, this law was completed and amended through the Law No. 1141-XII of August 4, 1992 and the Law No. 508-XIII of June 22, 1995. The society has witnessed substantial transformations, which have proved the necessity to revise the legislation on organization and operation of official statistics in the Republic of Moldova.

Thus, the new Law "On Official Statistics" was adopted and promulgated in 2004. This was a very important event for the DSS that laid the foundation for reforms in the national statistics and enabled to bring it in conformity with the standards of international legislation.

The law in force reflects organization of complex activities including collection, processing, centralization and dissemination of statistical information of demographic, social, financial and other kind, necessary to substantiate economic and social policies, strategies and decisions adopted by public authorities and businesses, scientific research, public information, statistical data sent to international organizations and other groups of internal and external users.

The new law also envisages the observance of the UN **principles of official statistics**:

- ✓ impartiality,
- ✓ statistical deontology,
- ✓ relevance,
- ✓ transparency,
- ✓ confidentiality,
- ✓ cost efficiency principle,
- ✓ national coordination,
- ✓ international collaboration,

such principles that, under this law, are understood as:

- ✓ the right of the official statistical agencies to conduct all necessary activities to produce statistical information;
- ✓ obligation of the official statistical agencies to determine and apply scientific criteria at selection of sources, methods and procedures of statistical surveys;
- ✓ production of statistical data and information ensured by the official statistical agencies;
- ✓ obligation of the official statistical agencies to observe and ensure the right of the respondents and users to access statistical information;
- ✓ limitation by the official statistical agencies of the volume of statistical data collected from respondents to the amount justified by the objective of the scientific surveys;
- ✓ use of international concepts, classifications and methods in national statistics in order to ensure efficient operation of the national statistical system.

According to the law, public authorities shall coordinate with the central statistical office every amendment or change to the volume of coverage while collecting administrative data that are further used to produce statistical information. This coordination work will enable to compare data from different information systems and to harmonize them with the international standards.

The law stipulates the establishment of a Statistical Council, comprising representatives from the central statistical office, Academy of Science of Moldova, National Bank of Moldova, special agencies of central public administration, relevant academic institutions, trade unions, mass media, employers' organizations and businesses. The Council shall be established as a consulting body in statistics in order to develop and promote official statistics, ensure objective, transparent and scientific nature of methodologies, indicators and classifications used in statistical activities.

The legislation regarding the organization of official statistics is applied to all individual and legal entities who carry out their activities in the Republic of Moldova, as well as to Moldovan citizens abroad.

## **Strategic Development**

The DSS regulates collection, processing, storage and dissemination of statistical data required to formulate economic and social policies, scientific research, forecasts and strategies of development, as well as to inform the public.

Relevant and reliable statistical data are of major importance for monitoring and evaluation of the Economic Growth and Poverty Reduction Strategy (EGPRS). As the quality of statistical data matters for implementation of the EGPRS, this document is provided with a separate chapter on the issues of development of the national statistics.

Statistics requires continuous improvement for obtaining relevant and authentic statistical data to satisfy all information demands of the society. In this context, the DSS has set the following priorities:

### **1. Improvement of legal framework and by-laws regarding the statistic activities**

Based on the Fundamental Principles of Statistics adopted by the UN European Economic Committee, establishment of a new legal framework adequate to an efficient statistical system at the national level requires:

- ✓ formulation of basic principles of statistical activities, in strict compliance with the UN fundamental principles of statistics;
- ✓ clear definition of the notion “official statistics”, determination of activities and strict delimitation of functions between the institutions responsible for statistics;
- ✓ identification of agencies responsible for official statistics;
- ✓ clear stipulation of subordination of the local statistics agencies to the Central Statistics Office to avoid double subordination.

### **2. Improved dissemination of statistical information and relationships with users**

General development of statistics requires an efficient collaboration between the producers and consumers of statistical data. The dialog between them is optimized through:

- ✓ diversified content and improved design of statistic publications, new editions on issues of high interest for the users;
- ✓ extended application of modern methods of dissemination of information, especially the electronic ones; use of the available statistics fund;
- ✓ promotion of profound knowledge of statistical notions and calculation methods behind the main indicators among the users;
- ✓ continuous study of user requirements, especially by launching opinion polls.

### **3. Improved system of statistical indicators, calculation methodologies behind them and methods of data collection**

Today, the priority is to elaborate reliable statistical information characterizing sustainable development of the country, especially the data required to ensure monitoring of implementation process of the EGPRS, the UN Millennium Development Goals, indicators included in the IMF General Data Dissemination System and Special Data Dissemination Standard, etc.

Basic activities in this context are:

- ✓ study of international standards and practice of developed countries in order to comply with them, but also taking into consideration the local reality;
- ✓ improvement of branch statistical indicators and their harmonization with the SNC (System of National Accounts);

- ✓ application of statistics, mathematics and econometric methods to improve analysis of economic and social processes;
- ✓ improvement of the system of indicators in view of the regional aspect;
- ✓ improvement of the system of statistical observation, which in fact means establishment of a new system of statistic survey;
- ✓ wide-scale development and use of alternative data sources, i.e. administrative sources, owned by central and local public authorities, collected from professional and civil unions and associations.

#### **4. Improvement of Information Technologies**

Renovation of Information Technologies (IT) infrastructure is a key element of comprehensive reforms of the national statistical system. The main objectives are the following:

- ✓ formulation of a detailed program for improvement of IT infrastructure;
- ✓ ensuring modern hardware and licensed software;
- ✓ creation of databases: they will be used for statistical purposes and will enable users to access information (the principle of confidentiality shall be observed);
- ✓ ensuring security of information;
- ✓ ensuring a better compatibility with other information systems, in order to create a complex national information system.

#### **5. Improvement of the institutional framework, management and human resources**

Consolidation of institutional capacities and improvement of financial and human resources management shall be achieved through:

- ✓ improvement of organizational structure of the statistical system in order to increase its efficiency;
- ✓ consolidation of institutional capacities to enable sample surveys;
- ✓ development of research capacities in statistics;
- ✓ designing and launching of a record-keeping system of high performance, enabling to save time while doing main statistical exercises;
- ✓ improvement of statistics planning;
- ✓ improvement of personnel's motivation methods in order to increase their efficiency.



## **Population census**

In order to obtain comprehensive information about the number and the territorial distribution of the population, businesses and socio-cultural entities, the Government decided (Decision No. 230 of March 9, 2004) to undertake a population census in Moldova (except its eastern region) in October 2004. It was the first independent national census in Moldova since it proclaimed its independence.

The goal of the census was to obtain a broad picture of quantitative and qualitative socio-economic developments that occurred in our society during the transition period. The need for this research demanding considerable human, material and financial resources was acknowledged long ago. Its necessity was primarily caused by the fact that the data of the last census (of 1989) became obsolete and could not reflect any more the real demographic situation in the country. Moreover, the country's economy and society went through essential changes that influenced such demographic processes as birth and mortality rates, number of marriages and divorces, migration, etc. Diagnostics of the situation after this 15-year period can ensure data and information required to substantiate socio-economic policies, update the national strategies and to monitor government programs.

The program of the population census 2004 accounted for cardinal changes produced in socio-economic development of the country and in the structure of the society.

The following considerations were taken into account while elaborating the program and selecting the questions for the census questionnaire in the last year:

- ✓ The country's necessities, both national and local ones, satisfaction of which will require data of the census, taking into consideration at the same time the necessities of different groups of information users.
- ✓ Comparability of census data at the international and regional level, and comparability with the data of the previous census.
- ✓ The degree of probability and capacity of interviewed persons to give correct and precise answers to the questions asked by census agents.
- ✓ Univocal perception by census officers and population of questions in census questionnaires, to ensure reliability of information.
- ✓ The level of training and competence of census interviewers in collection of information and filling in the census forms.
- ✓ Availability of financial, technical and human resources required to prepare and carry out the census and process and publish its results.

The population census in Moldova was organized and performed in strict conformity with the "Action Plan for Organization and Implementation of the General Population Census and Processing of the Obtained Information in 2004". According to this plan, the Department for Statistics and Sociology took all necessary measures during the preparation for the census and the census itself. These actions included:

- ✓ Preparation of census tools, taking into consideration users' requirements for information and the results of the trial census carried out in 1998. Overall, there were drafted 32 types of documents.
- ✓ Temporary employment of personnel to prepare and carry out the census, generate and publish the results.
- ✓ Hiring the unemployed, teachers, students of higher education institutions to carry out the census and process the obtained information. The occupations include: census agents, instructors-supervisors, heads of constituencies, deputy heads of local statistical offices in

charge of the population census in the given locality, temporary employees responsible for preparation of census materials for their further computer processing.

- ✓ Compilation of lists of localities and determination of their boundaries, verification and determination of streets and calculation of dwellings in municipalities, towns and rural localities with the population over 5,000 inhabitants.
- ✓ Organization of consultations with ministries and departments that have carried out census of special contingent and militaries.
- ✓ Training of personnel hired to carry out the census. Training seminars were conducted at the central and local levels with all census agents.
- ✓ Organization of advertising campaign to popularize basic organizational and methodological principles of the census.
- ✓ Preliminary visits to dwellers in the sector of the agent's concern to check the list of dwellings and other livable premises and inform the population about the commencement of the census campaign.
- ✓ Carrying out the general population census.
- ✓ Making a selective quality check of the census and forms completed within 13-18 October 2004.
- ✓ Elaboration of software products for electronic processing of materials of the population census.

The census carried out in autumn 2004 required establishment of 338 census constituencies, 2,473 census stations and 10,994 census sectors. As well, the Department of Statistics and Sociology and its local offices selected and trained (including the reserve) 15,535 persons, including: 417 heads of constituencies, 3,017 instructors-supervisors and 12,101 census interviewers.

Compared to the previous census, a specific feature of the census 2004 was a parallel use of two notions: the traditional unit of *family* and the international standard unit of *household*, recommended by the UN Statistics Commission.

It is known that the population census in the country was not conducted for years due to financial problems. For the same reason it could not be conducted in April as it had been earlier scheduled. In order to research possibilities (from financial point of view) to conduct a population census in 2004, the Government of Moldova appealed to donor countries in January 2004 for financial support. Two governments – of Sweden and of Great Britain – answered this appeal. After the first meeting with the donor countries, Sweden made an effort to evaluate the DSS capacities to organize a census, the degree of readiness and costs of the census. It was a very important activity, because it led to an increase of the original amount granted by the Swedish Government by 250,000 Euro and allowed substantiation of the intentions of external funding.

Financial support from donor countries ensured 43% of the total required amount of spending on the census. The remaining costs were supported from the State Budget.

The cost of the census 2004 amounted 27,437,000 MDL, including:

- ✓ remuneration to the census personnel – 63.5%;
- ✓ multiplication of documents – 6%;
- ✓ purchase of hardware and software to process the results of the census – 12%;
- ✓ rent of cars for the needs of the local statistics offices and constituencies – 6%.

It is worth mentioning that the results of the population census 2004 in Moldova will be integrated with the total results of the Global Census 2000 carried out in conformity with the UN recommendations and principles. International monitoring of the population census in Moldova was ensured by the Council of Europe.

At the same time, we have to point the support to the census promotion campaign rendered by special publications, central and local papers, radio and television, for which we have to express our sincerest gratitude. With some little exceptions, the event was covered correctly.

The attitude and the interest of mass media to this event were manifested early at the preparation stage to this nation-wide event, which was very demanding as a statistical exercise. Therefore, the services offered by papers and broadcasters were inherent and constituted a significant contribution to information of the population before and during the actual census.

It is necessary to inform the country's population about the importance of the results of the census for good operation of public administration at all levels and for determination of the country's future socio-economic development, for this will form a conscious and positive public opinion and awareness of population's own contribution to this event. In time, this will help cultivating a standard attitude to population census.

## Social and Population Statistics

The database of **demographic statistics** in 2004 contained: the number of present and stable population by gender and age distributed by territories; main demographic indicators for each region with specification by areas; life expectancy at birth (by men and women); fertility rate, including data and analysis regarding evolution of birth rate, mortality, marriages and divorces. Analytical notes and operative information were elaborated based on the above estimates.

The DSS elaborated a statistical volume “*Women and Men in the Republic of Moldova*”, which is its second publication of this kind, and “*Demographic Report 2004*” to be published in the volume “*Modern Demographic Development of Europe, 2004*”.

Experts in statistics participated in the activities organized on the occasion of the International Population Day.

On request of the country’s leadership, ministries, departments, institutions and other users of demographic statistics, the DSS prepared 93 materials in addition to the ones planned for the reported period.

During 2004, experts in **social statistics** prepared 16 notes on different issues and characteristics of social groups: “On Situation of Children in Moldova”, “Elderly People of Moldova”, “Activities of Cultural Institutions”, “On Criminogenic Situation”, as well as notes on various domains of social statistics: municipal economy, education, living standard, etc.

In order to enforce the Government Decision No. 564 of June 2, 2003 “On Enforcement of the President’s Decree to Declare the Year 2004 “The Year of Health”, the DSS edited a statistic volume “*Health Care in the Republic of Moldova*”. This is the first DSS publication on the issue, edited with participation of the Ministry of Health Scientific and Practical Center for Public Health and Health Management.

A statistical publication “*Aspects of Living Standard of the Population 2002*” was elaborated on basis of the system of statistical indicators for the living standard of the population.

In order to enforce the Government Decision No. 564 of June 14, 2000 “On Formulation of the National Program for Poverty Reduction”, the DSS established a quarterly statistical newsletter on revenues, spending and socio-economic differentiation of the population.

In order to provide information support in estimating poverty level and to enforce the Government Decision No. 619 “On Approval of the Action Plan to Consolidate Poverty Monitoring and Evaluation Capacities in the period of June 1, 2002 – May 31, 2005”, the DSS improved the tools employed in the *Research of Household Budgets*, which enabled to estimate consumption spending of the population.

The DSS Council defined and approved the methodology of estimation of the absolute poverty line.

In conformity with the Action Plan on implementation of policies ensuring qualitative change in economic growth in 2004, the DSS specialists made their contribution, together with the Ministry of Economy and the Institute of Economy and Informatics, to improvement of the calculation methodology of the cost of living.

In collaboration with the International Labor Organization (ILO) in the field of **labor force statistics**, the DSS launched a pilot survey “Decent Labor” as additional module to the basic questionnaire prepared for the research “*Household Survey of Labor Force*” (HSLF). The results of this survey served as a basis for the draft report “Statistic Indicators for Evaluation of Decent Work in the Republic of Moldova: methodological concepts, national peculiarities and evaluation methods”.

Some work commenced within the DFID/ISAS project of technical assistance, together with the ILO experts, to improve and harmonize basic questionnaire for the research *Survey of Labor Force in Households* with the ILO Recommendations. This work will continue in 2005.

In conformity with the Employment Strategy approved through Moldova Government Decision No. 611 of May 15, 2002, and the National Program on prevention and reduction of unemployment among the youth, the DSS carried out a statistical survey *Youth on the Labor Market* as an additional module to the basic Labor Force Survey. This survey will become a statistical practice from quarter II of the year 2005.

The following activities were carried out to improve the statistical tools:

- ✓ elaboration of a new version of the form “*Professional Education of Employees*”;
- ✓ improvement of the content of the forms “Labor protection”, “Labor (monthly)”, “Distribution of the Employees by Salaries Payable in September 2005”, etc.;
- ✓ elaboration of new methodological instructions and updating the existing ones in conformity with the changes made to the forms.

The following statistical volumes were elaborated during the reported year: “*Economically Active Population, employed and unemployed, 2003*” and “*Labor Force Market in 2003*”.

In the reported year, the DSS organized four training seminars for the interviewers and supervisors of the Household Budget Survey (HBS), which helped to improve substantially the quality of collected information.

In **sample surveys**, major effort was made to define the Concept of integration of the HBS and the Labor Force Survey at the level of master sample.

The following activities were carried out according to the Plan of Actions for elaboration of this Concept:

- ✓ reference population was defined;
- ✓ sampling units and observation units were determined;
- ✓ principles of definition of the primary sampling units (PSU) were determined;
- ✓ principles of stratification were established;
- ✓ principles and methodology for selection of the PSUs were determined.

Selection of the number of dwellings by census sectors was launched.

#### **Development Projects Planned in 2005:**

- ✓ *Creation of a universal “Master” survey network (based on the population census of October 2004) integrating the Labor Force Survey and the Household Budget Survey, which will improve the quality of the obtained data and enable a more rational use of human resources*
- ✓ *Establishment of a new representative sample of households (survey plan) at the level of statistical zones: North, Center, South and Chisinau Municipality*
- ✓ *Elaboration of questionnaires for the Labor Force Survey in conformity with the latest ILO recommendations.*
- ✓ *Organization of a statistical survey on enterprises in order to establish the cost of labor force*
- ✓ *Reform of the existing system of demographic statistics*
- ✓ *A sample survey on “Health of the Population”*

## **Economic Statistics**

Among the activities carried out in 2004, there was the elaboration of the **national accounts** for the year 2003, in current prices for the country's economy in general and distributed by institutional sectors, economic activities, spending articles and forms of property.

The gross domestic product was estimated by categories of inputs and outputs in current and comparable prices for the country's economy in general, institutional sectors, economic activities, spending articles and forms of property.

The Input-Output Table Balance was struck for the year 2003, for the country's economy in general and by types of activities.

The national wealth was calculated for the year 2003, as well as household wealth accumulated by the population in the year 2003, for the country's economy in general, in current and comparable prices.

In addition to the Program of Activities 2004, the following actions were carried out:

- ✓ A note was drafted on "The Gross Domestic Product in January-September 2004".
- ✓ The IMF experts provided technical assistance on the issue of the national accounts and organized a seminar on "Reconciliation of the Quarterly GDP Estimates against the Annual ones and Application of Seasonal Adjustments". The seminar was attended by representatives of ministries, departments and scientific institutions.
- ✓ Estimate of the ratio of shadow economy (in case of oil products) in the GDP were made for the years 2001-2002.
- ✓ The GDP was estimated on quarterly basis by ministerial branches for the years 2003 and 2004.
- ✓ Estimates were made to produce a forecast of the GDP for 2004.
- ✓ Thirty-four various papers were prepared upon request and sent to various categories of users.

In order to match the EU standards in the field of **industrial statistics**, a version of the list of industrial products and services called PRODMOLD was implemented (compliant with the European standard PRODCOM): it serves for monthly surveys of large enterprises.

The DSS elaborated and approved the draft list of industrial products and services PRODMOLD, brought in compliance with the European standard PRODCOM-2004 and coordinated with the relevant ministries and departments. The annual integral list contains 4,138 items. Based on this annual integral list, a list of products called PRODMOLD-L (with 565 items) was compiled for purposes of monthly surveys.

Actions were undertaken to implement the monthly and annual lists at small and subsidiary enterprises starting with January 2005:

- Amendments were made to forms of annual surveys of small and subsidiary enterprises, including methodological instructions for their completion;
- A personalized list of its products was prepared for each enterprise (codes, titles, measurement units);
- A training seminar was organized for specialists in the local statistical offices in order to familiarize them with the principles of implementation of the indicators brought in compliance with the international standards: Index of Industrial Production (IIP), Industrial Output Price Index (IOPI), Turnover Index (TI), Index of Orders (ICOM), and consequently, with implementation of the principle of enterprises statistics.

Throughout the year, the activities in **agricultural statistics** were focusing on improvement of the system of data collection, and especially, improvement of selective survey of small agricultural producers (households and farms). Thus, starting with the year 2004, a new survey of individual households was implemented, focusing on their agriculture-related incomes and expenditures.

The results of these surveys of agricultural production in individual sector were presented in the publication “*Agricultural activities of Personal Subsidiary Households and Farms in the Republic of Moldova in 2003*”.

Full information about development of agricultural sector in Moldova was presented in a statistical volume “*Agriculture in the Republic of Moldova, 2004*”.

A grant offered by the World Bank to support reform of statistics in the Republic of Moldova enabled to continue work on elaboration of experimental estimates of Economic Accounts in Agriculture, corresponding to the EU methodology (EAA-97) and to start works on elaboration of experimental estimates of Economic Accounts in Forestry (EAF-97).

In May 2004, the DSS held an international seminar “Statistics of Production, Trade of Agricultural Products and Elaboration of Agricultural and Food Output Balances”, organized under the auspices of the UN Food and Agricultural Organization (FAO). The seminar involved international experts from FAO and the US Department of Agriculture, representatives from 14 CIS and Baltic countries. Subjects of discussion were: implementation of international standards in agricultural statistics; organization of national statistical systems for production and trade of agricultural products in the countries participants in the seminar; methods of data collection in case of agricultural products; problems related to food security.

**Statistics of foreign trade in commodities.** An annual statistical publication “*Moldova’s Foreign Trade in 2001-2003*” was published in the reported period. This edition presents series of synthetic statistical data relating to the export, import, general trade balance, as well as data distributed by continents, countries, groups of countries, groups of commodities as per the List of Commodities and Standard Classifications of International Commerce, as well as by countries – groups of commodities. To ensure accessibility and correct interpretation of the data published in this edition, the latter included also some methodological indications regarding the content of the indicators and method of their estimation, as well as some information regarding the source data.

Information from the database of foreign trade was continuously updated, ensuring at the same time prompt elaboration of statistical information regarding foreign trade of commodities.

Every month, the Ministry of Economy and other relevant ministries receive very comprehensive spreadsheets reporting on exports, imports, general commercial balance and distributed by countries, groups of countries; export and import by groups of commodities and groups of countries; export and import of commodities distributed by groups of countries and countries both in the reported period and in the respective periods of previous years.

Quarterly information included: indices of physical volume and indices of unitary value of exported and imported commodities, both as total exports (imports) and distinguished by commodity, group of commodities and group of countries.

**Statistics of foreign trade in services.** Activities in this direction included revision of methodological instructions on foreign trade in services, i.e. they were completed with more detailed methodological guidelines regarding the main types of international services.

The Classification of Services was updated: it serves as basis for statistical reports on export and import of services.

**Domestic trade in commodities.** Starting from January 1, 2004, new statistical tools were implemented to enable study of retail sales achieved by commercial businesses.

The study of household budgets provided the necessary database to make quarterly estimate of retail volumes in the sector of non-organized trade.

New statistical tools were developed in the reported period to enable survey of wholesale trade; the new tools will be implemented from January 1, 2005. To familiarize the relevant specialists with these new tools, a training seminar was organized for the specialists in the local statistical offices dealing with collection of statistical information about the domestic trade and for the specialists in the General IT Division.

**Statistics of Transport, Communication and Tourism.** Specific statistical surveys were designed for each type of transport – road, railway, air and river transport. The surveys yielded data about the routes and the means of transport, traffic of goods and passengers, etc.

Moreover, in compliance with the EU requirements, starting from quarter II 2004, the DSS launched a sample statistical survey of road transportation of goods by motor vehicles belonging to individuals. This survey will be practiced in 2005 as well.

In order to survey the potential of tourism and to estimate it in figures, such indicators are monitored as flow of tourists to hotels and suchlike institutions and tourist activities of licensed tourism businesses.

**Statistics of Investments and Construction.** The activities in this direction focused on improvement of statistical methodology regarding investments and construction and on formulation of methodological guidelines for reporting on the government statistics of investment activities and construction sector. Special attention was given to the system of indicators, which allow monitoring development of these activities in conformity with the international standards. These measures led to completion of the statistical report “On Implemented Works” with new indicators, which will allow obtaining information on implementation of works by types of economic activities.

Efforts were made to improve the calculation method of price indices in construction: thus, basic methodological principles were developed for calculation of price indices for the imported equipment and machinery.

A range of materials regarding investment activities, works under implementation, dwellings and prices in construction were elaborated during the year.

In addition to the Program of Statistical Activities, sixty more statistical materials were prepared upon request of the users.

**Prices Statistics and International Comparability.** Main activities here focused on registration of prices and rates, calculation of consumer price indices, assessment of the inflation rate, comparability and parity of purchasing power of the national currency, based on standard methodologies and a system of indicators estimated in conformity with the international practice.

Prices of representative 1200 goods and services thus registered by the local economists in over 760 various commercial enterprises and service providers from 11 big towns of the country enabled to produce monthly calculation of the country’s average prices of all representative goods and services covered by the sample survey. They also enabled calculation of consumer price indices – from specific goods and services, subgroup and group of goods and services to the total indices of the country.

To calculate the inflation rate and the prices, over 15,000 selected prices and rates were received, analyzed, checked and processed on monthly basis. The prices were selected from a sample of 400 representative groups of goods and services.

In order to communicate the relevant statistical data to public administrations, scientific institutions and general public, the DSS published monthly operative newsletters and volumes:



“Statistic Bulletin of Prices” (monthly) and “Prices in the Republic of Moldova – 2004” (yearbook).

During the reported year, efforts were made to build a sample of commercial enterprises and service providers in order to collect prices of goods and services extended to the population in 2004 and 2005.

**Financial Reporting.** An agreement was set up with the National Commission for Movables in the reported year, in order to ensure exchange of information about activities of the domestic joint stock companies.

Another agreement was set up with the Department of Privatization on exchange of information about activities of those enterprises where the state has a share, about the activities of privatized enterprises in their post-privatization period, as well as about the evolution of privatization process in Moldova.

Another agreement was set up with the Chamber of Commerce and Industry: it envisages presentation of information about the activities of businesses.

A common activity carried out with the Ministry of Finance was aimed at improvement of financial reports presented by businesses; the purpose of these improvements was to obtain more information about the activities of the latter.

#### **Development Projects Planned in 2005:**

- ✓ *Estimate of gross added value for small businesses, for the economy in general and by economic activities; determination of percentage of the added value in the gross domestic product*
- ✓ *Preparation for the first General Agricultural Census*
- ✓ *Elaboration of methodology for estimation of the input-output table balances of the main types of agricultural products*
- ✓ *Implementation of basic principles of statistics of enterprises in branch statistics*
- ✓ *Harmonization of accounting methodology of investments in fixed capital according to international standards with the principles of the national system of accounts and national accounting standards*
- ✓ *Statistical survey of wholesale trade*
- ✓ *Practical application of monthly and annual list to small and subsidiary enterprises*
- ✓ *Implementation of the system of statistical information in tourism, comparable to the EU statistical system*
- ✓ *Implementation of methodologies harmonized with the international standards to aggregation of all price indices (consumption, production and commercial prices and other) for the purposes of a more comprehensive estimate of inflation*
- ✓ *Obtaining information about leasing activities of domestic enterprises in 2004*

## System of Registers and Classifications

The process of reforms in the national statistics requires a conceptual harmonization of all domains of statistical survey. In this context, an important role is played by the tools employed to collect and process statistical information, by ensuring their synchronization with the European tools. This contributes to comparability of statistical data between the countries.

In 2004, activities aiming to create a uniform system of classification and encoding of technical-economic and statistical information continued. Thus, the Classification of Economic Activities in Moldova (CEAM) was updated in order to observe the Regulations of the European Commission No. 29/2002 on changes to the Regulations of the EEC Council No. 3037/90 on the EU List of Activities (EULA), version 1.1. Amendments to the CEAM were approved and enforced since February 1, 2004 and ensure full compliance with the changes and additions to the EULA version 1.1 – a necessary rapport, for the European Union prepares a major revision of the EULA in 2007 through its Eurostat program.

Third version of the Classification of Organizational and Juridical forms of Enterprises in the Republic of Moldova (COJE) was elaborated in conformity with the amendments to the “Civil Code of the Republic of Moldova” (Law No. 1107-XV of June 6, 2002) and other laws. The Classification shall be introduced into practice from January 1, 2005.

Efforts to create an operational Statistical Register were made in the reported year.

The Statistical Register (RENU) contains data from the National Interadministrative Register of Moldova (RENIM) along with other information – a product of statistical surveys and other sources, including the administrative information system.

RENU includes enterprises with the legal right of a legal entity and enterprises with the legal right of an individual. The objects in the RENU are described by the features from the RENIM, as well as by additional features of surveys or administrative systems (turnover, number of employees and updated list of activities). These features are required for compilation of a list of entities for possible observation and checkup while aggregating indicators as per the performed statistical observations.

RENU does not include farms. Statistical survey of farms is supported by a special register – the Register of Farms (RF). Collection of data for this register was also improved during the reported year.

The quality of the Statistical Register depends, to a large extent, on the existing sources of information. In order to improve its quality and to ensure a comprehensive coverage of the entities included in the Register, an effort was made to reconcile information about the entities registered in the Interadministrative Register and the ones in the Register of the State Tax Inspectorate.

Due to the changes made to the Classification of Economic Activities in Moldova as per the EULA version 1.1, the database of the Interadministrative Register was recoded according to the types of economic activities.

A comprehensive statistical survey was conducted in 2004 – “*The Annual Structural Survey of Enterprises*”, which is done annually since 1997, based on a sample.

With this structural survey as a source, the following publications were published:

- “*Results of the Structural Survey of Enterprises*” embracing the country’s economy in general;
- “*Results of the Structural Survey of Small Enterprises*” embracing only the enterprises with less than 50 employees.

## Statistics for Society

According to its basic principles of activity, the DSS ensures citizen's right to access public information by offering statistical data and information to all users. Thus, official statistics becomes an indispensable tool of the information system in a modern society: it supplies statistical information about socio-demographic and economic situation in the country to the public administration, enterprises and general public.

Dissemination of statistical information is done in conformity with the legislation in force.

The DSS transmits statistical information within the established amount and terms as per the Program of Statistic Activities, which must be annually approved through a Government Decision. The DSS transmits statistical information to the main users: the President's Office, the Parliament, the Government, ministries and departments, scientific institutions, trade unions, enterprises, mass media and international organizations. Statistical data on socio-economic situation in Moldova is sent on quarterly basis to all Moldova's embassies abroad, via the Ministry of Foreign Affairs.

The efforts made by the DSS officers in 2004 were marked by more efficient relations with suppliers and users of statistic data. In this context, we should mention a larger volume and diversity of publications edited by the DSS, and on the other hand, the increased demands from the users.

In 2004, the DSS produced a series of statistical publications characterized by rich content in various fields of activities. It elaborated and distributed 45 statistical volumes and newsletters, including 2 editions in three languages (including the Russian and the English languages), and 21 bilingual publications (15 of them with Russian and the other 6 with English as the second language). Of all these publications, 18 were published on annual basis, 15 on quarterly basis and 12 on monthly basis.

Another effort was made to elaborate *The Catalog of Statistical Publications* to be published in 2005; this catalog is distributed free of charge to all users of statistical information.

During the reported period, the DSS distributed 19 analytical notes and over 90 operative reports on the state and evolution of social, demographic, economic and cultural life in the country. As well, it drafted 496 statistical newsletters with generalized data by various fields of activities, of which 155 were monthly publications, 167 – quarterly and 174 – annual publications.

In 2004, the total number of written applications (both domestic and from abroad) demanding some data reached 1900. Of this number, 430 were asking for the consumer price index and the inflation rate, 366 for trade and services indicators, 320 for the labor force market. Distribution of these demands for statistical data by categories of users in 2004 is presented in this table:

### Structure of users of statistical data in 2004, %

<b>Total users</b>	<b>100</b>
<b><i>Domestic users</i></b>	<b><i>89.5</i></b>
➤ Government institutions	17.2
➤ NGOs	10.9
➤ Embassies	2.8
➤ Academic, research and education institutions	10.2
➤ Enterprises	20.6

➤ Mass media	4.3
➤ Individuals	18.5
➤ Other	5
<b><i>Foreign users</i></b>	<b><i>10.5</i></b>

Based on the specific activity of the DSS, i.e. elaboration for a large number of users of statistical information about the phenomena and processes in all branches of the national economy in the Republic of Moldova, and at the same time seeking to ensure authenticity of the data and international comparability, the objective of development of public relations is to improve the forms and means of communication with the general public. The respective activities during the reported year were aimed at opening new ways for the DSS to make its statistical information available to users, to make it more diversified and objective, observing thereof the principle of confidentiality. Another objective of these activities was to know better the public's approach to correct decision-making, to help the users understand the specific nature of statistical activities, and to ensure correct flow of information between the Department and the public.

During the year 2004, communication with papers and broadcasters in the Republic of Moldova was maintained in such a way as to inform mass media about the statistical information and, with their help, to inform the public about the socio-economic situation in the country. Mass media received all statistical information elaborated as per the schedule of distribution of operative information (the schedule is available online on the web page of the DSS – [www.statistica.md](http://www.statistica.md).)

Moreover, interviews on radio and television were organized within specialized programs (some of them dedicated to economic issues), with participation of decision-makers and DSS specialists.

The growing number of demands for statistic information coming from different user groups during 2004 was due, to a large extent, to cooperation with mass media and distribution of statistic information by various mass media.

Along with dissemination of statistical information, activities mainly focused on diversification of mass media and forms of dissemination of statistical data; this contributed to more accurate formulation of answers to different applicants. Depending on the demanded statistic data, the requests were answered either in written form (in this case the database was used to extract the required data) or orally, by telephone or email (in case of such indicators that existed at the moment in already prepared statistical publications). The applications, as a rule, are registered with each relevant statistical division of the DSS that can meet the request for specific information. Applications can be refused on the grounds of confidentiality of personal data, disclosure of which comes against the UN Fundamental Principles of Statistics and the Law on Official Statistics of the Republic of Moldova.

Electronic dissemination of information enabled operative access of mass media and other users to the issued press releases on various domains of statistical surveys; the DSS library offered an opportunity to read the publications of national statistics, as well as the ones published by various statistical agencies from other countries and by international organizations with whom the DSS exchanges information.

The DSS library was opened in 2003; every day it offers a vast selection of statistical publications in different foreign languages. The library keeps almost every statistical publication edited in the country, as well as a compulsory copy of all statistic publications edited by the DSS. As well, the library offers a large number of statistical documents and publications from other countries and international organizations: EUROSTAT, FAO, ILO, OECD, IMF, World

Bank, etc. Owing to book donations offered by the UNDP, INS (Romania), ILO and the World Bank, the DSS library could enrich its stock of books. In late 2004 the total stock of the DSS library contained 2,806 statistical publications (books, periodicals, photocopies, CD, audio cassettes, etc.) and, compared to 2003, grew by 859 publications. Annually, the library is visited by different groups of users (internal users from the DSS, external users: students, teachers, researchers, economists, journalists, etc.). The number of visits to the DSS Library constituted 1,050 persons, which is an increase by 296 persons compared to 2003.

In order to facilitate the access to and use of statistical information by the general public, which is in fact implementation of the basic statistical principles – objectiveness and transparency of statistical activities, the DSS organized press conferences, seminars and round tables that dealt with the specific topics of statistics, research methodologies, etc., and during which their participants could get the latest statistical data regarding the current state and the trends of the country's socio-economic development.

The above mentioned methods of dissemination of statistical information, employed by all statistical offices in democratic societies, ensure wide information of public authorities and general public directly from the source, which secures credibility and objectiveness of statistical information.

The DSS makes continuous efforts to improve the methods of dissemination of statistical data, especially by improving the content and design of statistical publications, by launching new topical editions of high interest to the users, by launching publications not only in form of printed books but also in electronic form, by organizing seminars and round tables to deal with the most important issues of the prepared statistical data and methodologies applied by the Department, etc.

Statistic information, which is a public good, is produced to satisfy the requirements of a large group of users – public authorities, businesses and academic institutions, general public, etc. Therefore, the basic objective of dissemination of statistical data is to target the statistical editors to the user, by improving satisfaction of the growing demand for information.

In its efforts to improve dissemination of statistical information, an important role is played by the IT capacities of the DSS, improved quality of statistical data and methods of data dissemination.

## International Cooperation

International statistical cooperation became a decisive factor for harmonization of Moldovan statistics with the international standards. This was absolutely necessary in the context of the country's policy to join the international organizations and integrate with the European Union. Reformation of the national statistical system is supported, to a large extent, by international organizations and national statistical services of other countries.

Priority directions of cooperation aiming at improvement of the statistical system in 2004 were:

- ✓ organization of statistical surveys in the main economic domains (industry, domestic trade, construction, register of economic activities, small and middle enterprises, labor force);
- ✓ improvement of statistical system in the field of investments;
- ✓ development of technical, economic and social classifications, compatible with international classifications;
- ✓ improvement of statistical publications and dissemination of statistical information;
- ✓ implementation and maintenance of registers of economic activities;
- ✓ analysis of labor market;
- ✓ improvement of statistics in environment and tourism;
- ✓ improvement of estimates and surveys of shadow economy, in conformity with the SNA requirements;
- ✓ improvement of statistics of domestic trade;
- ✓ formulation of methodology for calculation of statistical indicators of prices and inflation;
- ✓ implementation of international standards in the field of financial statistics.

In the reported year 2004, the reform efforts in official statistics were supported by technical assistance from the following organizations and international programs:

- ✓ *Department for International Development (DFID) of the United Kingdom of Great Britain and Northern Ireland* – memorandum on “Improvement of Social and Agricultural Statistics, its analysis and use”;
- ✓ *Statistics Sweden (CSB)*, with financial support from the Swedish International Development Agency (SIDA) – bilateral agreement;
- ✓ *World Bank* - a grant for Enhancement of Institutional Capacities of Data Collection, Implementation of the National System of Accounts, Projection of the Main Macroeconomic Indicators and Dissemination of Information, No. TF 021758, tranche II;
- ✓ *Statistics Norway*, with financial support from the Ministry of Foreign Affairs and the Government of Norway – “Memorandum of Agreement between the Statistics Norway and the Department of Statistics and Sociology of the Republic of Moldova on Support to Development of Statistical System in Moldova”.

During the reported year, the specialists of the DSS took part in many methodological seminars organized by the DFID of Great Britain and Statistics Sweden with financial support from SIDA, Statistics Norway with financial support from the Ministry of Foreign Affairs and the Government of Norway, the UN Statistics Subdivision, the UN Agriculture and Food Organization, Organization for Economic Development and Cooperation (OECD) and the Joint Vienna Institute of the International Monetary Fund.

Moreover, the DSS specialists attended the following international seminars and conferences:

- ✓ “Evaluation of Health State” organized by the UNECE, WHO and Eurostat;
- ✓ “The National System of Agricultural and Food Statistics” organized by the FAO Statistic Division and helped by the National Institute of Statistics of Romania;
- ✓ “Analysis of Research in Reproductive Health and Demography in Eastern Europe and Central Asia”;
- ✓ “Use of Administrative Data Sources for Statistical Purposes” organized by Eurostat (the EU statistics office) and the National Institute for Statistics and Economic Studies (NISES);
- ✓ “Monitoring Child’s Labor” organized by the International Labor Organization (ILO);
- ✓ “Use of Main Principles of Official Statistics for the purposes of Statistics Planning”;
- ✓ Conference of European Statisticians;
- ✓ A joint conference of the World Bank and the Swedish Board for International Development and Cooperation;
- ✓ Training course “DevInfo Roll-Out” organized by the Regional UNICEF Office, Switzerland;
- ✓ Training course “Macroeconomic Analysis and Policy” organized by the Joint Vienna Institute of the International Monetary Fund.

The following international activities were organized in the Republic of Moldova:

- ✓ The Seventh International Seminar “*Statistics of Production, Commerce of Agricultural Products and Elaboration of Balances of Agricultural and Food Products*”, under the FAO auspices, with participation of FAO experts, the US Department for Agriculture, representatives of CIS and Baltic countries, May 10-14, 2004;
- ✓ International Conference “*The Role of Statistics in a Modern Society*”, in cooperation with the Statistics Norway and participation of representatives of international organizations: the UN, the European Economic Commission, the World Bank, the IMF, Eurostat, the CIS Statistical Committee, as well as representatives of central statistical offices from Finland, Norway, the United Kingdom of Great Britain and Northern Ireland, Sweden, Czech, Latvia and Hungary.
- ✓ The seminar “*Reconciliation of quarterly data on the GDP with the annual data, with application of seasonal adjustments*” organized with the help of an IMF expert and attended by representatives of ministries, departments and scientific institutions.

The “Memorandum of Agreement between the Statistics Norway and the Department of Statistics and Sociology of the Republic of Moldova on Support to Development of Statistical System in Moldova” (Project No. 2040307) was concluded on October 18, 2004. The Project is funded by the Ministry of Foreign Affairs and the Government of Norway. Both parties to this project also approved an Action Plan to support implementation of the Memorandum. The incipient stage covered the following statistical domains: dissemination of statistical information; business registers and information technologies; demographic statistics and price statistics.

The DSS supplied various statistical data to international organizations upon their request. The requested statistical data cover all domains of statistics and are of various periodicities: monthly, quarterly and annual.

Monthly information reports were sent to the CIS Statistical Committee, featuring the main socio-economic indicators of the country.

In conformity with the Bilateral Memorandum between the Eurostat and the DSS, the latter disseminated quarterly statistical reports on the foreign trade of Moldova.

Upon request of the representatives of the World Bank, IMF, other international organizations with offices in Chisinau, diplomatic missions of Moldova, enterprises and individuals, the DSS prepared various statistical reports about the socio-economic situation in the country.

International cooperation in the field of statistics supposes elaboration of information in conformity with international standards in order to ensure their comparability, in the context of continuous improvement of the statistical and IT methods and presentation of information to the international organizations in conformity with the commitments assumed by the Republic of Moldova.

In this context, the importance of international cooperation in the period of reforms in the national statistics is obvious.

### **Development Projects Planned in 2005:**

✓ Enhanced cooperation with:

- ***Eurostat***, in conformity with the Memorandum of Agreement between the Department of Statistics and Sociology and Eurostat on *exchange of data*, the agreement that was concluded on basis of the Partnership and Cooperation Agreement between the Republic of Moldova and the European Union; UN, FAO, ILO, UNESCO, WB, IMF, the CIS Statistical Committee, national statistical agencies from different countries, with which Moldova already signed cooperation agreements in the field of statistics (Belarus, the Russian Federation, Georgia, Kyrgyzstan), regarding the *exchange of experience* through methodological works, statistical publications, etc.;
- ***foreign donors***, in order to *obtain technical assistance* for implementation of development priorities set in statistics;
- ***international organizations*** to which Moldova is a member (UN, FAO, ILO, WB, IMF, etc.), for the purposes of *presentation of statistical information* of good quality, which will thus improve the country's image on international arena. A special role is played by presentation and continuous updating of statistical data and methodologies for the IMF General Data Dissemination System (GDDS). The major objective is to ensure correspondence of statistical data to the necessities of the Special Data Dissemination Standard (SDDS).

✓ An important activity shall be carried out within the Program of international comparability 2004, which will allow obtaining updated data on purchasing power parity of the national currency – an important indicator for comparability of Moldova's welfare in the global context.



## Regional Statistics

The activities of the local statistical offices was primarily focused on collection of primary data from suppliers of information, initial verification, introduction on a data holder and validation of data pertaining to statistic surveys and financial (accounting) reports, their centralization and presentation of centralized data to the General IT Division of the DSS and local public authorities (except some statistical papers, for which data processing (and in some cases, for instance, consumer price index (CPI) and primary data collection) is done by the General IT Division and DSS directly).

During the year 2004, the local statistical offices were involved in preparation for the population census and participated in all activities prior to the census and in the census as such, and were responsible for organization of this complex statistical exercise at the local level.

According to the Program of Statistical Activities, the local offices presented to the DSS over 759,000 reports collected from over 39,000 enterprises. Every quarter, specialists of the local statistical offices reconciled the lists of the enterprises against the RENIM database and updated the lists with statistical information on all economic activities. During the year, the enterprises were helped in producing statistics and accounting reports.

At the same time, in the reported period the following statistical surveys were undertaken:

- ✓ the issues of occupation and unemployment;
- ✓ budgets of households;
- ✓ sample statistical survey of agricultural activities on personal (subsidiary) households and farms;
- ✓ statistical survey “ Freight road transport”;
- ✓ sample “Annual Structural Survey”;
- ✓ registration of prices of food products, manufactured goods and services.

Local statistical offices carried out some analytical studies and publications at the local level on social and economic situation in the regions. Thus, they elaborated and submitted the following documents to the local public administration: 158 reports, 167 analytical notes, 288 operative information about socio-economic situation in the regions. The Municipal Statistical Office Chisinau edited a statistic volume *Chisinau in Figures*, edition of 2004. These activities of the local statistical offices (papers, researches, dissemination of data) contribute to satisfaction of information needs of the local public administration, enterprises and individuals.

During 2004, local public administrations were provided with generalized statistical information in form of statistical newsletters, reports or spreadsheets.

Various local users increased their demands for statistical data; this means additional efforts to the ones planned in the Program of Statistical Activities for 2004.

The local statistical offices, in cooperation with the local administration (Tax Inspectorate, Financial Division, State Registration Chamber, etc.) organized and attended over 191 seminars for local enterprises on various issues, like: socio-economic development, improvement of reporting discipline, explanation of provisions of the Law on Statistics and methodological notes on compilation of statistical reports and the way of calculation of economic indicators.

Specialists of local divisions and sectors participated in 8 skill improvement seminars designed for the staff of the local subdivisions and organized by the headquarters of the DSS and the General IT Division. Topics of these seminars covered the following issues: household survey, living standard, labor force survey, industrial statistics, transportation statistics and trade statistics.

Managers of local statistical offices attended a training course “Skills of efficient management” supported by the DFID/ISAS.

Among the problems challenging local statistical offices are: lack of modern computers, the need to improve performance of the local network of data transmission from the territories to the DSS General IT Division, the need to revise the number of employees in the local statistical offices to ensure equal work load for each employee.

## **Information Technologies System**

### **Management of statistical database and maintenance of statistical software**

IT support to statistics included verification and processing of data from 759,400 statistical forms (by 8% more than in 2003 and by 21% more than in 2002), of which labor statistics – 403,500 forms, financial and accounting reports – 214,500, agriculture – 61,100, industry – 56,200 etc.

In this context, it is worth mentioning that the statistical IT sections (SIT) elaborated and distributed 496 comprehensive reports in 2004, including 174 annual, 167 quarterly and 155 monthly reports.

Management of statistical registers (RENIM, RENU, RF) included such activities as registration of enterprises and organizations and modification of management approach. In this regard, it is worth mentioning that thus the RENIM register was completed with over 7,300 new enterprises and organizations, over 27,000 amendments were introduced to the register; the Register of Farms registered 18,000 entries and about 3,000 amendments.

As per the management development plan of the Business Statistical Register and the System of Statistic Classifications, works on formulation of project documentation were commenced to ensure the first activity as per the plan, and an administrative module was implemented for the second activity as per the plan. Completion of these two activities will enable to pass from the old-fashioned data collection and storage in dispersed databases to centralization of data and use of such global descriptors as metadata. In the same context, it can be mentioned that implementation of the first version of the Statistic Classifier Management System enabled launching a new section on the DSS web page, which provides free access to these classifications.

### **Development of IT Infrastructure**

Pursuing its objectives of IT development, the General IT Division (GITD) undertook a series of reforms and renovations of the existing system. To a large extent these activities followed the previous trends, i.e. being primarily focused on development of infrastructure, which represents support to the computerized system of collection, processing and storage of statistical data.

In order to enhance computing capacities, considerable investments were made during the year 2004 in purchase of technical equipment. These investments were primarily meant for the local offices and to support the activities under the population census.

These investments increased the number of computers connected to local area networks and wider area networks of the DSS. Introduction of new methods of data transmission based on Windows interface led to a substantial increase of information exchange capacities between the DSS headquarters and its local offices.

These improvements enabled to change the principles of data processing and to create new software.

Established LANs and WANs enabled to open email accounts for all DSS officers, which facilitated exchange of information and document preparation.

### **Maintenance of Statistical Applications**

Some of the activities during the year 2004 were concentrated on maintaining of the statistical data collection – processing – dissemination chain. The project of computerization of the DSS envisaged a series of activities aimed at upgrading of the existing software and shifting all activities in the Windows interface.

As for cooperation with other departments and development of the IT system in conformity with the principles of information society development in the Republic of Moldova, the DSS initiated a range of activities together with the Department of Information Technologies. The objective of these activities is replacement of traditional data sources by administrative sources. At present, the DSS negotiates cooperation agreements on electronic data exchange between Law Enforcement Agencies, Entities of Goods Transportation and information held by the civil status offices. This became possible owing to introduction of uniform identification codes for individuals and legal entities.

### **International cooperation**

Cooperation with different projects of technical assistance (TACIS, DFID, SIDA) laid out the basis for the new IT infrastructure of the DSS. The investments to support these activities were primarily funded by these projects.

A new direction for cooperation was opened in partnership with the Statistics Norway: it is targeted for elaboration of computerized management systems of statistical registers and classifications, automatic systems for collection, processing and storage of statistical data, and the system of dissemination of statistical information.

We should mention a new direction of cooperation with foreign donors that is aimed at funding development of software. Moreover, these logistic changes in technical assistance are meant for long-term projects and must enhance IT capacities of the DSS.

## **Human and Financial Resources**

There were 934 employees in the DSS as of the end of 2004 was.

The DSS central office and its subdivisions has 271 job places, of whom 258 (95.2%) are managers and specialists, and 13 (4.8%) are technical staff.

The local statistic offices provide job places to 663 persons, of whom 623 are managers and specialists (94.0%) and 40 persons (6.0%) are technical staff.

The Department has two self-sufficient state enterprises in its subordination: the Center for Technological Design “Informstat” (5 employees) and a publishing house “Statistica” (26 employees).

Of the total number of managers and specialists employed in the Department and its offices (881 persons), 64.7% (570 persons) are public officers.

Of 881 managers and specialists, 566 persons (64.2%) have higher education, 15 (1.8%) – incomplete higher education, specialized secondary education – 266 (30.2%), and 34 persons (3.9%) have no specialized education.

A typical feature of the DSS and its local offices is the large percentage of female employees – 85.4% (798 persons). In spite of the persistent image of statistics as a dull business, it is curious enough to find remarkably long records of service accumulated by a large number of the DSS employees. Statistics tells that the longest record of service in this sector today is 48 years. The DSS system employs 13 persons with records of service of 35-42 years.

The following classification shows distribution of statistical managers and specialists by their record of service:

- ✓ less than 5 years – 312 persons (35.4%);
- ✓ 5-10 years – 242 persons (27.5%);
- ✓ 10-20 years – 156 persons (17.7%);
- ✓ over 20 years – 171 persons (19.4%).

In spite of the above, there is a fluctuation of the statistics staff as well, which in 2004 reached 10.2%. Ninety-six employees left the service on their own initiative, explaining their decision by dissatisfaction with the low salary.

For the purposes of the population census in 2004, the DSS employed and trained over 15,000 persons to work as census agents, instructors-supervisors, heads of constituencies, officers in charge of preparation of the materials of the population census.

Special attention was paid to training of the statistical employees, because reform of statistical system in Moldova can be performed only on basis of a study of necessities, methodologies and advanced practices of other states in the field of statistics. During 2004, the DSS specialists attended work meetings, seminars, trainings and skill improvement courses.

Five DSS officers attended skill improvement courses organized by the President of Moldova Academy of Public Administration.

Three managers of local statistical offices study at the President of Moldova Academy of Public Administration for the degree in “Public Economy and Management”.

Three heads of divisions and sections of the DSS held some lectures during skills improvement courses organized by the Academy.

In the reported year, 39 university students of Moldova had their internship with the Department, 4 of them received employment with the Department.

The issue of staff reserve is studied and formed annually. This staff reserve includes public officers of the required qualification, who are recommended by heads of subdivisions and the Examination Board that certifies officers for top positions with the DSS.

The **Financial Activity** carried out by the Department of Statistics and Sociology in 2004 was financed from the State Budget approved through the Law No. 474-XV of November 27, 2003. Budget allocations were addressed to implementation of the Program of Statistical Activities, maintenance of adequate operation of the DSS statistical system and the local statistical offices.

Thus, for maintenance of the DSS headquarters in the year 2004, the State Budget allocated 3,009,800 MDL, maintenance of the local statistical offices – 8,168,400 MDL, implementation of the Program of Statistical Activities and Editions – 7,552,800 MDL, population census – 29,139,400 MDL.

The level of actual funding compared to the plan of expenditures reached 92.3% (total for the Department), including 93.7% for maintenance of the headquarters, 99% for the local statistical offices, 91.9% for the Program of Statistic Activities, 90.9% for population census.

<b>Human Resources of the DSS</b>	<b>Staff</b>	<b>Including with</b>			
		Higher education	Specialized secondary education	Women	Men
<b><i>Total staff</i></b>	934	566	266	798	135
<i>In %</i>	100	64.2	30.2	85.5	14.5
<b><i>Headquarters, including:</i></b>	124	116	5	112	12
<i>officers</i>	122	116	5	111	11
<i>technical personnel</i>	2	x	X	1	1
<b><i>DSS Subdivisions, including:</i></b>	147	79	37	116	25
<i>General IT Division</i>	106	64	23	92	14
<b><i>Local Statistics Agencies, including:</i></b>	663	371	224	570	92
<i>officers</i>	623	371	224	548	74
<i>technical personnel</i>	40	x	X	22	18