**On approval of the Methodology for monitoring changes in prices for building materials, parts and structures purchased by construction organizations**

Order of the Acting Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated December 30, 2015 No. 232. Registered with the Ministry of Justice of the Republic of Kazakhstan on January 27, 2016 No. 12940.

     In accordance with subparagraph 5) of Article 12 of the Law of the Republic of Kazakhstan "On State Statistics" and subparagraph 22) of paragraph 17 of the Regulations on the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, approved by Decree of the President of the Republic of Kazakhstan dated October 5, 2020 No. 427, **ORDER** :
     Footnote. Preamble - as amended by the order of the Acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).
      1. Approve the attached Methodology for monitoring changes in prices for building materials, parts and structures purchased by construction organizations.
      2. The Department of Price Statistics, together with the Legal Department of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan, shall ensure in the manner prescribed by law:
     1) state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;
     2) within ten calendar days after the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan, referral for official publication in print periodicals and the information and legal system "Adilet";
     3) within ten calendar days after the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan, sending to the Republican State Enterprise on the right of economic management "Republican Center for Legal Information of the Ministry of Justice of the Republic of Kazakhstan" for placement in the Standard Control Bank of regulatory legal acts of the Republic of Kazakhstan;
     4) placement of this order on the Internet resources of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan.
      3. The Department of Price Statistics of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan to bring this order to the structural subdivisions and territorial bodies of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan for guidance and use in work.
      4. To impose control over the execution of this order on the Deputy Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan (Dzharkinbaeva Zh.A.).
      5. This order shall enter into force upon the expiration of ten calendar days from the date of its first official publication.

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| Acting Chairman | B. Imanaliev |

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|   | Approved by the Order of the Acting Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstandated December 30, 2015 232 |

**Methodology for monitoring changes in prices for building materials, parts and structures purchased by construction organizations**

 **Chapter 1. General provisions**

     Footnote. The title of chapter 1 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated 06/20/2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      1. This Methodology for monitoring changes in prices for building materials, parts and structures purchased by construction organizations (hereinafter - the Methodology) refers to a statistical methodology formed in accordance with international standards and approved in accordance with the Law of the Republic of Kazakhstan dated March 19, 2010 "On state statistics" (hereinafter - Law).
      2. The methodology defines the main aspects and methods of nationwide statistical monitoring of changes in prices for building materials, parts and structures purchased by construction organizations, selection of basic objects, representative materials and registration of prices for them.
     National statistical monitoring was organized to obtain information on changes in prices for building materials, products and structures used by contractors in the construction industry. The price registration data is used to build a price index for construction and installation works, which is an element of the structure of the price index in construction.
      3. This methodology is applied by the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan (hereinafter - the Bureau of National Statistics) and its territorial divisions.
     Footnote. Paragraph 3 - as amended by the order of the acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).
      4. This Methodology uses concepts in the meanings defined in the Law, as well as the following definitions:
      1) rotation - a deliberate replacement of the observed base object with a similar one that performs similar types of construction work;
      2) price registration - collection of primary statistical data on prices (tariffs) for goods and services in the course of nationwide statistical observations;
      3) base object - a legal entity selected for monitoring and recording prices in it. A sample set of basic objects must meet the main requirement - a representative representation in the regional and sectoral contexts;
      4) specification - a description or list of characteristics used to identify an individual product selected for price registration;
      5) building materials - natural and artificial materials and products intended for the creation of building structures of buildings and structures in the production of various types of construction and installation works;
      6) construction production - a set of production processes performed directly at the construction site, including construction and installation and special works;
      7) construction organizations - all general construction and specialized organizations engaged in construction, installation and other works, their type of activity in accordance with the General Classifier of Economic Activities (hereinafter - GCTEA) belongs to the section "Construction";
      8) contractor - an individual or legal entity that performs construction work under construction contracts and has a license to carry out the relevant types of construction activities;
      9) representative product - a certain type of product in a product group, which is distinguished by minor features (details) that do not affect the quality and basic consumer properties of the goods and are homogeneous in their consumer purpose;
      10) registration price - the amount of monetary units paid for a specific type of representative product, for which the quality, terms of sale and period of time are clearly defined.
     Footnote. Clause 4 as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated 06/20/2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).

**Chapter 2. Selection of basic objects**

     Footnote. The title of chapter 2 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated 06/20/2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      5. National statistical monitoring of changes in prices for building materials, parts and structures is carried out on a selective network of base objects. The formation of a sample set of basic objects is carried out with the help of purposeful selection.
      6. The general population consists of general construction, specialized organizations related in accordance with the GCTEA "Construction".
     When selecting basic facilities, the volume of contract work performed by the construction organizations on their own is taken into account. Based on the statistical data of the report on works (services) performed by construction organizations for the previous year, the indicator "the cost of construction and installation works actually performed by the construction organization" is determined for the entire general population of construction organizations.
      7. The list of large and medium-sized contractors is formed based on the most significant volumes of work performed. The sample includes construction organizations of all forms of ownership and organizational and legal forms.
     Small contractors are included in the sample to a limited extent in order to take into account the types of building materials for highly specialized work.
     When selecting, the sample does not include individual entrepreneurs, who are characterized by their frequent turnover and ongoing assortment shifts in the purchase of building materials and specifications of representative goods.
     Construction organizations are included in the sample at the place of actual construction production, regardless of the place of their legal registration. Branches and representative offices of a construction organization located outside the location of the parent organization, which carry out construction activities in a significant amount in this territory, are taken into account.
      8. The optimal sample size is reached when the total number of base facilities connected to observation provides more than 50 percent of the total value of construction and installation works performed in the region according to the data for the previous year (or the past nine months of the current year).
     The selected basic objects provide the maximum possible coverage of the main groups of building materials identified for national statistical observation and necessary for the construction of housing, industrial and other areas of construction production.
      9. During the year, officials of the territorial subdivisions of state statistics (hereinafter - territorial subdivisions) monitor ongoing structural transformations of basic objects: downsizing (merger), termination of construction activities. In the event of liquidation (bankruptcy) of the base object, it is replaced with a similar object of the corresponding specialization, form of ownership and scope of work performed. When the basic objects are disaggregated, the newly formed ones are connected to the observation:
     1) one or two, if they purchase a similar range of observed building materials;
     2) several, if each of them specializes in performing specific types of work.
      At the end of the year, the list of basic objects is updated and rotated. For each facility, an analysis is made of the frequency of submission of price data during the reporting year and the volume of construction and installation works performed is considered. The sample includes new organizations that performed significant volumes of work for the region during the year or used construction materials that were not previously included in the list prepared by the Bureau of National Statistics, types of materials, parts and structures used in the construction industry, to monitor prices (hereinafter - List) for observation. Their selection is carried out in accordance with the procedure set out in paragraphs 6-8 of Chapter 2 of this Methodology.
     Footnote. Paragraph 9 - as amended by the order of the acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).

**Chapter 3. Selection of building materials (representative goods)**

     Footnote. The heading of chapter 3 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated 06/20/2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      10. The selection of building materials (representative goods) for price registration is made according to the List. The List presents the types of building materials that are most typical for the construction industry and representative throughout the country. To describe the representative product in the List, building material is disaggregated by type of raw material, production technology, processing method, standard size, grade, brand.
      11. When selecting representative goods for the presentation of price information, the following are taken into account:
     1) the regularity of the acquisition of building material by the base object, regardless of the volume of their purchases from month to month;
     2) the immutability, if possible, of the channel for acquiring the selected materials (from the manufacturer, through intermediary firms, in the wholesale market or base, in the store);
     3) coverage of goods-representatives of domestic and imported production;
     4) representativeness of all main groups of building materials listed in the List.
     The purchase of building materials depends on production needs and is not permanent. To obtain price information comparable in time, each type of building material is represented by at least three different basic objects of the region.
      12. Simultaneously with the collection of price information, the officials of the territorial subdivisions responsible for collecting prices monitor changes in the construction market conditions in their region, annually submit their proposals for updating the List. Representative products that have lost their relevance are replaced by others available on the market.
     Footnote. Paragraph 12 - as amended by the order of the Acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).

**Chapter 4 Registration of prices**

     Footnote. The title of chapter 4 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated 06/20/2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      13. Price registration is carried out on a monthly basis by filling in the basic objects of the approved statistical form of nationwide statistical observation "Report on prices for purchased building materials, parts and structures" (1-CSM) and submitting it to state statistics bodies.
      14. The actual purchase price of a specific building material (representative product) is recorded in the form. It includes all expenses for its acquisition (the price of manufacturing enterprises, transportation costs, supply and marketing costs and other expenses) and value added tax.
     The supply and marketing costs include mark-ups and commission fees of organizations that provide intermediary services to the contractor in the acquisition and assembly of materials.
     When the organization delivers the purchased building material on its own (self-delivery), own transportation costs are added to the cost of the material.
      15. When registering the price of the selected representative product, the principles of price comparability between two registration periods (reporting and previous) are observed. The price is registered for a similar type of building material that has:
     1) a single unit of measurement;
     2) the same quality and technological parameters;
     3) an unchanging acquisition channel.
     It is not allowed to change the type of building material selected for determining the price on a monthly basis.
      16. Each specific case of lack of price information is analyzed by the relevant officials of the territorial divisions.
     Each specific case of lack of price information is analyzed by the relevant officials of the territorial bodies of state statistics.
     Footnote. Paragraph 16 as amended by the acting order of the Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).

**Chapter 5. Quality control and reliability of primary statistical data**

     Footnote. The heading of chapter 5 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated June 20, 2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      17. Acceptance of the statistical form and control of the quality and reliability of primary statistical data is carried out by officials of the territorial divisions.
     Footnote. Paragraph 17 - as amended by the order of the Acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).
      18. When the price of a representative product changes in the reporting period compared to the price registered in the previous period, the following is carried out:
     1) comparison of the value of the reporting price with the previous price for possible distortion of numbers when they are set (mechanical input error);
     2) comparison of the level and trends of price changes in the commodity group and between basic objects;
     3) comparison of the purchase price level with the prices of manufacturing enterprises, in wholesale and retail construction markets and in other places where building materials are sold, with clarification of discrepancies in the received price information;
     4) clarification of the standard units of measurement, the correctness of the coding of the representative product;
     5) clarification of the reasons for price changes.
      19. In order to confirm the reliability of the primary statistical data, the specialists of the base facility within one working day, in accordance with paragraph 17) of Article 12 of the Law, invoices, invoices, certificates of conformity, test reports are provided to the territorial divisions.
      For certain types of building materials specified in the Instructions for filling out the statistical form of nationwide statistical observation "Report on prices for purchased building materials, parts and structures", approved by Order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated January 28, 2020 No. 10 (registered in the Register of State Registration of Normative Legal Acts No. 19953), supporting documents are submitted simultaneously with the statistical form.
     Footnote. Paragraph 19 - as amended by the order of the acting Head of the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan dated July 23, 2021 No. 10 (shall be enforced ten calendar days after the day of its first official publication).
      20. In case of refusal to submit supporting documents or untimely submission of them, the primary statistical data of the base object are not included in the data processing of the reporting month.

**Chapter 6 Calculation of Average Prices and Publication of Statistics**

     Footnote. The heading of chapter 6 is as amended by the order of the Chairman of the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan dated June 20, 2019 No. 2 (shall be enforced ten calendar days after the day of its first official publication).
      21. Calculation of average prices is carried out on the basis of price information received from basic objects (prices for specific representative goods). For each type of observed building material, the average price for the reporting period and the relative value of the change in the reporting price compared to the previous period are calculated.
      22. The average price for the reporting period for the type of building material is determined:
     1) for the region as a geometric mean based on the prices for representative goods fixed in basic objects according to the formula:



or



, (1)
where



– average price for building material *j* in the reporting period;
       *p* 1 *, p* 2 *,…, p* k – prices for representative goods *j* in the reporting period (price quotations);
      k - the number of prices of goods-representatives.
     When calculating the average price, the equality of the number of price quotations in the compared periods is taken into account.
     2) in the republic as a weighted average of the price level by regions and their share according to the formula:
      P RK t =



P t \* V 0 /



V 0 , (2)
     Where
       *P* RK t - the average price in the republic for building material in period *t* ;
      P t - the average price in the region for building material in period *t* ;
      V 0 - the share of the region for a certain base period, calculated on the basis of data on the volume of construction and installation work performed.
      23. Calculated average prices by region are not considered representative, reflecting the price level of the totality of the phenomenon under study, if they are formed from the prices of less than three different basic objects reported in the reporting period. In these cases, average prices by type of building materials in the region are not published, but are used for further calculations of average prices in the republic and price indices.

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