CONCEPT NOTE

<u>Data to Decisions by Integrating AI & Big Data for Pakistan's Statistical</u> <u>Future</u>

Pakistan stands at a critical juncture in its digital transformation journey, where modernizing the national statistical system has become imperative for advancing toward a data-driven economy. Traditional data collection faces challenges such as time lags, resource constraints, and coverage gaps, while at the same time massive volumes of data are generated daily through digital transactions, mobile communications, and administrative records. This situation provides a unique opportunity to complement conventional statistical methods with AI and Big Data analytics, creating a more robust framework for data-driven governance. AI-powered tools and Big Data technologies can modernize statistical production by enhancing data quality, expanding analytical scope, and improving operational efficiency. Machine learning algorithms can enable real-time anomaly detection and correction, while intelligent systems support field enumerators through optimized routing, multilingual capabilities, and automated validation. Technologies such as satellite imagery and computer vision allow comprehensive monitoring of agricultural statistics, urban development, and infrastructure conditions, reducing respondent burden while maintaining statistical rigor. Non-traditional data sources, including mobile phone call detail records, social media analytics, web scraping, and administrative data from tax authorities, utility companies, and government services, can enhance both the scope and frequency of statistical outputs while reducing costs. Integrating these sources into core statistical exercises requires careful methodological consideration to ensure operational feasibility and statistical validity, supported by robust quality assurance frameworks to validate AI-generated statistics against conventional methodologies.

Point of Sale data from retail transactions, digital payment systems, and e-commerce platforms provides real-time insights into consumer behaviour, market dynamics, and price movements. The use of AI can further enhance the value of PoS data by enabling predictive analysis, price forecasting, anomaly detection, and demand pattern modeling, which can strengthen the timeliness and granularity of economic statistics and retail sector analysis. This also has significant potential to complement traditional price collection for inflation measurement, requiring methodological adjustments and privacy safeguards, along with strategic partnerships between statistical agencies and private sector data holders.

Similarly, in the context of crisis management and disaster response, AI can play a critical role by using multi-source data to provide early warning, forecasting, and situational awareness. Predictive models can help anticipate risks, identify vulnerable areas and populations, and optimize resource allocation during emergencies, thereby enhancing the effectiveness of response mechanisms.

Pakistan's data landscape is fragmented, with large data producers; including telecommunications companies, financial institutions, e-commerce platforms, utility providers, and government agencies, operating in silos. Integrating these datasets can unlock unprecedented analytical capabilities for evidence-based policymaking. But at the same time, the integration of these data sources raises serious concerns if not managed carefully. Privacy risks, surveillance concerns, and potential exposure of sensitive information through centralized repositories require comprehensive mitigation measures. These include robust legal frameworks such as data protection and confidentiality laws, secure and privacy-preserving technical measures, strict access protocols, and anonymization techniques. Partnerships with commercial entities also

require clear governance structures to balance innovation with the protection of sensitive business information. Building capacity for ethical and secure data practices across sectors is essential to create a culture of responsible data use. In this regard, developing a stakeholder commitment framework for voluntary data contribution to national statistical systems, which clearly articulates benefits, protections, and governance mechanisms, can lay the foundation for sustained and principled collaboration, transforming Pakistan's fragmented data landscape into an integrated ecosystem that serves the public good while protecting individual rights and legitimate commercial interests.

Potential Questions

- 1. How can AI-powered survey tools improve response rates and data quality?
- 2. What are the applications of satellite imagery and computer vision for agricultural statistics, urban planning, and infrastructure monitoring?
- 3. How can PoS data complement traditional price collection for inflation measurement?
- 4. What are the coverage limitations of PoS data, and how can these be addressed to ensure representative statistics?
- 5. What partnerships between statistical agencies and private sector data holders are needed?
- 6. How can mobile phone call detail records (CDRs) be used for migration patterns, mobility studies, and tourism statistics?
- 7. What role can web scraping play in monitoring job vacancies, housing markets, and price movements?
- 8. What are the Governance challenges in multi-stakeholder data-sharing arrangements?
- 9. What sort of principles to be drafted for ethical and secure data integration in Pakistan?